



DEPARTMENT OF THE AUDITOR GENERAL  
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**DAG/T.3/2013/219**

**Reference No.....**

**The Honourable Speaker  
Mr. Kendal Major  
House of Assembly  
Nassau, Bahamas**

**May 21, 2015**

**Dear Sir:**

In accordance with Article 136(4) of The Constitution of The Commonwealth of The Bahamas, I have the honour to submit my report on the audit of the accounts of The Government of The Bahamas for the year ended June 30, 2013.

**Sincerely,**

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**Terrance S. Bastian (Mr.)  
Auditor General**

**TSB/slt-h**



**MEMORANDUM**

**MINISTRY OF FINANCE**

Tel: (242) 702-1530(7)  
Fax: (242) 327-6297 (Financial Secretary)  
(242) 327-1620 (Registry)

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**TO:** Auditor General  
Auditor General's Department  
Nassau, Bahamas

**Your Ref:**

**Our Ref:** Fin.1606.21


**Date:** 13<sup>th</sup> June, 2014

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**RE: GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS**  
**FINANCIAL STATEMENTS**  
**AND CONFISCATED ASSETS FINANCIAL STATEMENTS**  
**FOR THE YEAR ENDED 30<sup>TH</sup> JUNE, 2013**

In accordance with Section 32 (2) of the Financial Administration and Audit Act, I hereby transmit to you the Government of the Commonwealth of the Bahamas Financial Statements and Confiscated Assets Financial Statements for the year ended 30<sup>th</sup> June, 2013.

The Statements have been examined by the Internal Audit Unit of this Ministry and the unit's report has already been forwarded to your office.

  
John A. Rolle  
FINANCIAL SECRETARY



## **ACKNOWLEDGEMENT AND APPRECIATION**

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Special thanks are extended to staff members of the Office of the Auditor General (OAG) for their dedication to duty and loyalty during the year. As a result of their efforts and commitment, the Auditor General was able to fulfill his statutory obligation.

Sincere thanks and appreciation is also extended to all persons in the various Ministries and Departments for their co-operation and courtesies extended to the Auditor General and staff.

Appreciation also goes to The Caribbean Organization of Supreme Audit Institutions (CAROSAI), the INTOSAI Development Initiative (IDI) and The Bahamas Public Service Training Centre for their respective assistance in the further training of our staff.

## **AUDITOR GENERAL'S CONCERN**

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1. The following issues remained a concern to the Office of the Auditor General.

### Staffing

2. The Office of the Auditor General continues to operate with minimal staff. A number of staff has retired and there has not been any replacement.
3. With the increase in Government operations to approximately \$1.8 Billion, there is a great need to increase and up-grade staff.

### Access to Audit Information

4. A matter of concern exists in regards to obtaining access to audit information/documents within some government departments/ministries. Some Public Officials appeared unaware of the provision of the Financial Administration and Audit Act, which entitles the Office of the Auditor General (OAG) to have access to all books, records, returns and reports related to Government accounts. As a result, the work of the OAG was impeded in some cases due to the lack of co-operation by Officials of various Ministries and Departments.

### Public Accountability

5. Some public offices are not being held accountable for their actions, which result in loss or wastage of government funds.
6. The belief of public accountability is generally construed as the obligation to answer for the discharge of responsibilities entrusted to government officials/workers. When accountability is present, an organization operates more

efficiently, effectively and economically. In addition, the environment is more conducive to positive growth.

### Implementing on Integrated Financial Management Information System (IFMIS)

7. A fully functioning Integrated Financial Management System (IFMIS) can improve governance by providing real-time financial information that financial and other managers can use to administer programs effectively, formulate budgets, and manage resources. Sound IFMIS can help the government gain effective control over their finances and also enhance transparency and accountability, reducing political discretion and acting as a deterrent to corruption and fraud.
8. Implementing successful IFMIS is paved with difficulties, such as resistance from the bureaucracies involved; and lack of decision-making from the top level civil servants.

### Understanding IFMIS

9. A financial management information system, or integrated financial management information system (IFMIS), is an information system that tracks financial events and summarizes financial information. In its basic form, an IFMIS is little more than an accounting system configured to operate according to the needs and specifications of the environment in which it is installed.
10. Generally, the term "IFMIS" refers to the use of information and communications technology in financial operations to support management and budget decisions, fiduciary responsibilities, and the preparation of financial reports and statements. In the government realm, IFMIS refers more specifically to the computerization of public financial management (PFM) processes, from budget preparation and execution to accounting and reporting, with the help of an integrated

system for financial management of line ministries, spending agencies and other public sector operations.

### What It Does

11. An IFMIS stores, organizes and makes access to financial information easy. It not only stores all the financial information relating to current and past years' spending, but also stores the approved budgets for these years, details on inflows and outflows of funds, as well as complete inventories of financial asset (e.g., equipment, land and buildings) and liabilities (debt).
12. A more comprehensive, well integrated system will:
  - Provide timely, accurate, and consistent data for management and budget decision-making;
  - Support government-wide as well as agency-level policy decisions;
  - Integrate budget and budget execution data, allowing greater financial control and reducing opportunities for discretion in the use of public funds;
  - Provide information for budget planning, analysis and government-wide reporting
  - Facilitate financial statement preparation; and
  - Provide a complete audit trail to facilitate audits.
13. By recording information into an integrated system that uses common values, IFMIS users can access the system and extract the specific information they require to carry out different functions and tasks. All manner of reports can be generated; balance sheets, sources and uses of funds, cost reports, returns on investment, aging of receivables and payables, cash flow projections, budget variances, and



performance reports of all types. Some systems have libraries consisting of hundreds of standard reports. Managers can use this information for a variety of purposes: to plan and formulate budgets; examine results against budgets and plans; manage cash balances; track the status of debts and receivable; monitor the use of fixed assets; monitor the performance of specific departments or units; and make revisions and adjustments as necessary



# REPORT OF THE AUDITOR GENERAL

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# Constitutional Provisions

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# Chapter 1

## **SECTION ONE CONSTITUTIONAL PROVISIONS**

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### **Establishment of Office:**

1.01 Article 136(1) of The Constitution states:

“There shall be an Auditor General whose office shall be a public office.”

### **Mandate:**

1.02 Article 136(3) of The Constitution provides:

“The accounts of the supreme Court, the Senate, the House of Assembly, all departments and offices of the Government (but excluding the Department of the Auditor General), the Public Service Commission, the Judicial and Legal Service Commission, the Police Service Commission and all Magistrates’ courts shall, at least once in every year, be audited and reported on by the Auditor General who, with his subordinate staff, shall at all times be entitled to have access to all books, records, returns and reports relating to such accounts.”

### **Reporting:**

1.03 Article 136(4) of The Constitution states:

“The Auditor General shall submit his reports under paragraph (3) of this Article without undue delay to the Speaker (or, if the office of Speaker is vacant or the Speaker is for any reason unable to perform the functions of his office, to the Deputy Speaker) who shall cause

them to be laid before the House of Assembly without undue delay.”

### **Independence:**

1.04 Article 136(5) of The Constitution provides:

“In the exercise of his functions under the provisions of paragraphs (3) and (4) of this Article, the Auditor General shall not be subject to the direction or control of any other person or authority.”



# Audit Approach & Significant Accounting Policies

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# Chapter 2

## SECTION TWO

### AUDIT APPROACH & SIGNIFICANT ACCOUNTING POLICIES

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#### A

#### 2.

statements of the Government of the Commonwealth of The Bahamas, audits are carried out in accordance with Generally Accepted Auditing Standards and International Standards of Auditing and each audit is designed to provide assurance as to the propriety of the Government's financial transactions and the accuracy of its accounting records.

#### 2.02

The audit of all Ministries and Departments includes a general review of the accounting procedures and systems of internal control, together with such tests of the records and supporting documents as are considered necessary. Compliance with statutes, regulations, directives and administrative requirements is also tested.

#### Summary of Significant Accounting Policies

#### 2.03

Financial statements are prepared on the modified cash basis of accounting.

#### 2.04

The modified cash basis of accounting combines elements of the two major accounting methods, the cash method and the accrual method. The cash method recognizes income when it is received and expenses when they are paid for, whereas the accrual method recognizes income when it is earned and expenses when they are incurred.

- 2.05 The recording of government transactions fall into three main categories – Recurrent Revenue, Recurrent Expenditure and Capital Expenditure.
- 2.06 Liabilities are recognized in the form of Advances, Treasury Bills and proceeds from Loans and are recorded at the face value of the debt instrument issued. Discounts, commission and other related expenses are treated as period costs. The general resources of the Consolidated Fund are used for the retirement of debt with only two Sinking Funds (Harcourt Malcolm Loan and the \$50m Stock Issure 1997 – 2005) being maintained.
- 2.07 Contingent liabilities of the Government consist of guarantees by the Government in respect of loans raised from private sources by Government-owned Corporations.
- 2.08 A non-contributory pension plan covering all public officers is provided by the Government in accordance with the Pension Act and its amendments.

# Administration & Personnel

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# Chapter 3

## SECTION THREE ADMINISTRATION & PERSONNEL

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3.01 The fiscal year 2012/2013 heralded the eighty-eighth (88<sup>th</sup>) year of the existence and operation of the Office of the Auditor General in executing its mandate as stipulated in Article 136 of the Constitution of The Bahamas

### Acting Appointment

- |                       |   |   |
|-----------------------|---|---|
| 3.02 Mr. Roger Forbes | - | Acted as Auditor General for the period July 16 – August 4, 2012.       |
| Mrs. Portia Barnett   | - | Acted as Auditor General for the Period August 12 – 18 August, 2012.    |
| Mrs. Portia Barnett   | - | Acted as Auditor General for the period August 20 – September 14, 2012. |
| Mr. Roger Forbes      | - | Acted as Auditor General for the period November 4 - 10, 2012.          |
| Mr. Roger Forbes      | - | Acted as Auditor General for the period November, 18 – 24, 2012.        |
| Mr. Roger Forbes      | - | Acted as Auditor General for the period December 5 – 6, 2012.           |
| Ms. Carolyn Patton    | - | Acted as Auditor General for the period March 16 - 22, 2013.            |
| Mrs. Portia Barnett - |   | Acted as Auditor General for the period April 2 - 5, 2013.              |
| Ms. Carolyn Patton    | - | Acted as Auditor General for the  |

period April 23 - 27, 2013.

Mrs. Portia Barnett - Acted as Auditor General for the period May 14 - 18, 2013.

Mrs. Portia Barnett - Acted as Auditor General for the period June 2 - 5, 2013.

### Retired

3.03 Christine Outten - Retired from the Public Service as an Assistant Accounting & Audit Officer with effect from December 30, 2012.

Lawrence Paul - Retired from the Public Service with effect from December, 30 2012.  
Accounting & Audit  
Officer IV

Cynthia Rolle - Retired from the Public Service with effect from February 4, 2013.  
Deputy Auditor  
General

### Unpaid Leave

3.04 John Pinder - Unpaid Leave with effect  
Accounting & Audit from October 2002 as  
Officer President of The Bahamas  
Public Service Union.

### Local Training Administered To Staff During the Year

### Training Body/Trainer

3.05 Constitution Reform - Bahamas Public Services  
Union

National Insurance Policies - Bahamas Public Services  
On Industrial Injuries and Union  
Pension



Building an Enterprise Approach to Risk Governance & IT.	-	Institute of Internal Auditors Risks Bahamas Chapter
Mitigating Risk, Support Development & Ensuring Accountability	-	Bahamas Institute of Chartered Accountants
<b>3.06</b> <u>International Meetings</u>		<u>Training Body/Trainer</u>
CARICOM Audit Committee Meeting of External Auditors	-	CARICOM Audit Committee Georgetown, Guyana
63 <sup>rd</sup> Meeting of INTOSAI Governing Board	-	International Organization of Supreme Audit Institutions (INTOSAI) Chengdu, China
IX Congress of CAROSAI General Conference	-	Caribbean Organization of Supreme Audit Institutions (CAROSAI) Trinidad
CARTAC –Internal Audit & Controls	-	Caribbean Regional & Technical Assistance Centre (CARTAC) St. Kitts & Nevis
Sixth Meeting of CARICOM Secretariat Audit Committee	-	Caribbean Regional & Technical Assistance Centre (CARTAC) Georgetown, Guyana
International Workshop on Public Financial Management	-	Inter-American Development Bank, for IFMIS Coordinators Washington, DC

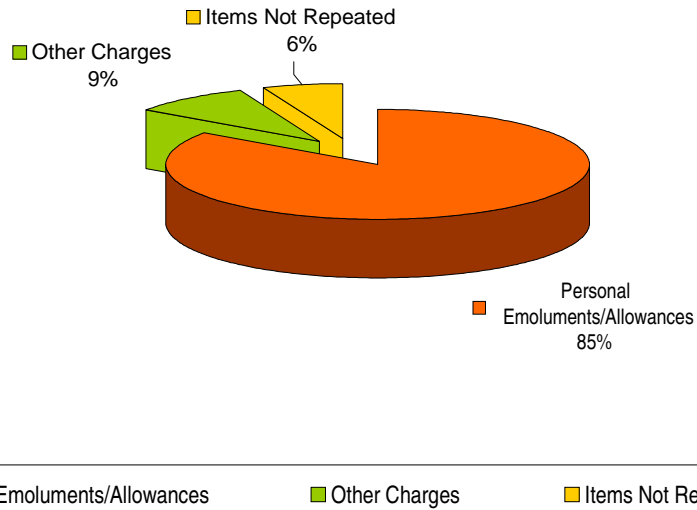
3.07 The Office of the Auditor General's staff composition as at June 30, 2013 is as follows:

<b>Post</b>	<b>Number of Staff</b>	<b>Authorized</b>	<b>Vacancy</b>
<b>Administration</b>			
Auditor General	1	1	0
Sr. Deputy Auditor General	1	2	1
Deputy Auditor General	3	3	0
Assistant Auditor General	2	3	1
<b>Audit</b>			
Accounting & Audit Officer II	1	1	0
Accounting & Audit Officer III	9	14	5
Accounting & Audit Officer IV	5	13	8
Assistant Accounting & Audit Officer	8	13	5
Trainee Accounting & Audit Officer	2	13	11
Chief Audit Clerk	4	6	2
Chief Clerk	1	0	-1
Senior Audit Clerk	5	6	1
Senior Clerk	0	1	1
<b>Support Staff</b>			
Executive Officer	1	0	-1
Office Manager III	1	1	0
Janitress	1	1	0
<b>Total</b>	<b>45</b>	<b>78</b>	<b>33</b>

3.08 Total expenditure for the fiscal year ended June 30, 2013 compared with expenditure for 2011/2012 are as follows:

	<b>2012/2013 Estimated Expenditure</b>	<b>2012/2013 Actual Expenditure</b>	<b>2011/2012 Actual Expenditure</b>
Personal Emoluments/Allowances	\$ 1,705,348.00	\$ 1,595,902.00	\$ 1,698,024.00
Other Charges	\$ 224,392.00	\$ 163,612.00	\$ 183,058.00
Items Not Repeated	\$ 85,888.00	\$ 51,782.00	\$ 53,415.00
<b>Total</b>	<b>\$ 2,015,628.00</b>	<b>\$ 1,811,296.00</b>	<b>\$ 1,934,497.00</b>

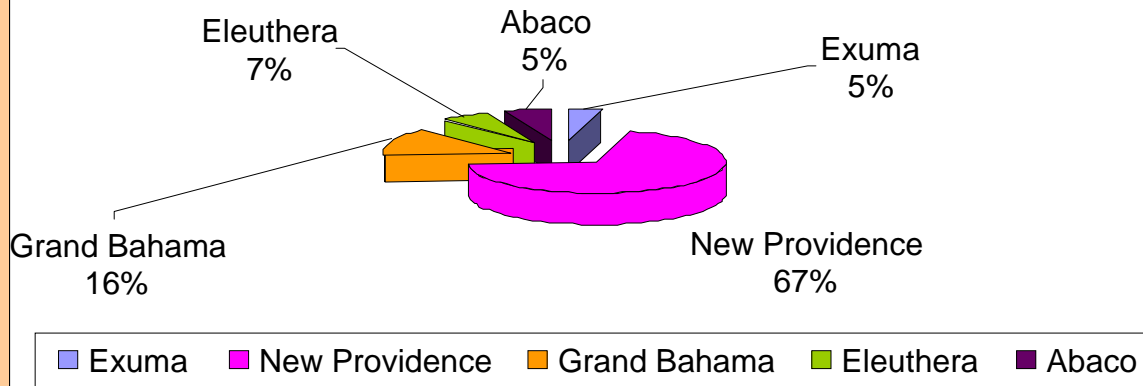
## 2012/2013 Actual Expenditure



3.09 At the end of the fiscal year, the compliment of staff members were as follows:

Districts	Nos.	%
Exuma	2	5
New Providence	30	67
Grand Bahama	7	16
Eleuthera	3	7
Abaco	2	5
<b>Total</b>	<b>45</b>	<b>100%</b>

## Regional Staff Assignment



## Foreign Audits

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# Chapter 4

## **SECTION FOUR FOREIGN AUDITS**

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### **THE BAHAMAS EMBASSY**

#### Havana, Cuba

- 4.01 The audit on the accounts of the Embassy of the Commonwealth of The Bahamas, Havana, Cuba was conducted during the week of August 6, 2013.
- 4.02 The Ambassador Alma Adams assumed office in January 2013. The former Ambassador Vernon Burrows demitted office in August 2012. The office in the interim was administered by the First Secretary/Consul and Head of Chancery Mr. Eugene Newry for the period September 2012 to December 2012.

- 4.03 The staff complement at the time was twenty-six (26), consisting of four (4) Bahamians and twenty-two (22) locally employed persons. It was noted that twelve (12) employees were hired through the Cuban Employment Agency and ten (10) were hired directly by the Embassy. Some of these employees are on the shift system, and they facilitate the Embassy and the Ambassador's Residence.
- 4.04 The Embassy maintains two (2) bank accounts; namely Revenue Account and Operational Account (CUC). Two (2) authorized signatures are necessary for the processing of cheques.
- 4.05 Revenue is collected from three (3) main sources: visas, passports and legalization of documents. The records show that revenue collected and remitted to Ministry of Foreign Affairs (MFA) headquarters during the fiscal year 2011 to 2012 showed an increase of 1.8% while the fiscal year 2012 to 2013 showed a decrease of 23.55%.
- 4.06 The ability of the Embassy to withdraw US dollars from the US\$ Revenue Account was discontinued 2013. The reason for the decision was not seen in the documentation on the banking file. As a result of this, the Embassy is presented with the challenge to remit revenue in the appropriate currency to the MFA for deposit into the Consolidated Fund. Presently, the Embassy utilizes a method that is unconventional to remit revenue for deposit into the Consolidated Fund. This matter needs to be addressed by the Ministry with urgency.
- 4.07 A fire occurred at the Ambassador's Residence on August 9, 2013. An inspection was carried out on August 10, 2013 and it was discovered that the fire and smoke had significantly damaged the maid's quarters inclusive of the bathroom and the adjoining garage.

#### Remittance of Revenue



- 4.08 During our audit of revenue records, we noted that revenue was allowed to accumulate for an inordinate period. These funds related to revenue collected for consular services provided since the Embassy was established.
- 4.09 Further, all the source documents were not available to verify the revenue.
- 4.10 **We recommended that revenue not be allowed to accumulate for such inordinate periods before being remitted to MFA.**

#### Wire Transfers

- 4.11 While tracing the wire transfers to the underlying accounting records, we noted that funds wired to the Embassy are facilitated through our High Commission Office in Canada. The service charges and exchange fees are exorbitant. As a result, the value of the transfer for the deposit to the Operational Account from the MFA is lessened significantly. The fiscal period under review shows that the total transferred was \$621,079.60 and the total charges amounted to \$18,217.62; hence the net deposit was \$602,861.98.
- 4.12 **We recommended that the budget allocation for the Embassy take into consideration the variances in amounts remitted for operational expenses as a result of service charges and exchange fees. Further, management should address the method utilized in remitting of funds for the operational account, so as to minimize the cost involved.**

#### Entertainment Allowance

- 4.13 The issue of entertainment allowance still remains a “grey” area and there are no formalized guidelines to distinguish official from personal entertainment. Diplomatic officers receive entertainment allowance on a quarterly basis from the mission upon authorization from the Ministry of Foreign Affairs.

As result of our review of these expenses we relied on the integrity of the officers concerned.

- 4.14 We recommended that the MFA specify guidelines that would facilitate the auditing process of the entertainment allowance and the accounting of expenditure for the same.**

#### Maintenance of Buildings

- 4.15 The Embassy office and official residence is rented from Grupo Palco. The lease agreement (contract) for the office and residence expired on June 30, 2013. We requested a copy of the new lease agreement, but none was provided at the time of the review. We were informed that major repairs to the office and residence are the responsibility of Grupo Palco (Landlord). Every year there is a 3% rent increase for the Embassy and Residence.

#### Insurance

- 4.16 Currently, the furniture and other assets at the Embassy and residence are not insured against fire, flood or theft.
- 4.17 We recommended that management address the issue of insurance coverage for the furniture and other assets at the Embassy and Residence as a matter of urgency.**

#### Security

- 4.18 We observed during our audit that cameras at The Bahamas Embassy are installed but were not operational at the time of

our audit. We view the security at the Embassy with great concern.

- 4.19 **We recommended that measures be taken to strengthen the security at the Embassy to include a Bahamian male from the armed forces.**

# Confiscated Assets

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# Chapter 5

## **SECTION FIVE**

### **CONFISCATED ASSETS**

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5.01 In our opinion, the Confiscated Assets Fund is being operated in accordance with the Proceeds of Crime Act 2000, the Financial Administration and Audit Act 1973/2010, and the Financial Regulations 1975; and that the statements of accounts present fairly, and in all material respects, the financial position of the Fund as at June 30, 2013. The balance of the Fund as at June 30, 2013 was \$1,478,334.00.



# 52 Weeks Job Initiative Programme

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# Chapter 6



## **SECTION SIX**

### **52 WEEKS JOB INITIATIVE PROGRAMME**

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- 6.01 In the Bahamas as elsewhere in the world, governments are economically challenged to stimulate their economies, to be seen to be more responsive to the needs of its citizenry and to provide opportunities to address unemployment.
- 6.02 Cabinet Conclusion ICO (27) (11) 17 dated July 5, 2011 approved the establishment of a National Job Readiness and Training Programme to address these concerns and invited the Ministers of Labour and Social Development, and Youth, Sports and Culture along with the Minister of State in the Ministry of Finance, to launch the programme in July 2011.
- 6.03 This initiative was designed and geared towards providing unemployed persons with the job exposure, experience and

skills development for a period not to exceed fifty-two (52) weeks. To this end, a Job Readiness Unit was established in the Ministry of Finance, which assumed direct oversight for the entire programme.

- 6.04 Over sixteen thousand (16,000) persons throughout The Bahamas enrolled in the programme and four thousand one hundred (4,100) persons were selected to participate. The programme commenced in New Providence in September 2011. However, the first Family Island group started October 2011 in Grand Bahama, followed by Abaco and subsequently in the other islands.
- 6.05 The Ministry of Finance in Grand Bahama initially managed the programme. The Office of the Prime Minister in Grand Bahama eventually assigned the management of the initiative to the Ministry of Grand Bahama. The programme in the other Family Islands was managed by the Island Administrators with the exception of Exuma where the Ministry of Finance (Exuma Office) managed the initiative.
- 6.06 Participants received a weekly stipend of Two Hundred and Ten dollars (\$210.00) with the exception of entrants from the Bahamas Technical and Vocational Institute (BTVI) who received a weekly stipend of One Hundred and Fifty dollars (\$150.00).
- 6.07 The programme ended in Grand Bahama on April 5, 2013 and in New Providence on April 12, 2013 at the Public Hospital Authority (PHA).
- 6.08 As a result of the programme, two hundred thirty nine (239) persons were permanently hired by companies where they were engaged.

#### Financial Allocation

- 6.09 The overall programme funding was \$48 million and was allotted as follows:

- (i) \$25 million provided in the 2011/2012 budget and supplementary funding of \$23 million approved in June 2012.

### Programme Enrollment

- 6.10 We noted that the Ministry of Finance maintained a database of persons engaged in New Providence only. This file provided the names of persons employed, place of employment, assigned group and their positions. We were not provided with a compiled listing of all participants engaged in New Providence, Grand Bahama and the Family Islands.
- 6.11 **For future initiatives, we recommended that a single database be compiled of persons who participated in the programme along with a complete profile that should also include the personal details, national insurance number, qualifications, special skills and duration in the programme for appropriate evaluation.**

### Response – Ministry of Finance (MOF)

- 6.12 *“With respect to “not being provided with a compiled listing of all participants engaged in New Providence”. The complete listing of participants for New Providence managed by the Budget Unit was previously issued dated February 28, 2013. Also attached is a recently received listing for Public Hospital Authority. We have requested a complete listing from the Ministry and the Department of Education to date we are not in receipt of the same.”*
- 6.13 The auditors confirmed receipt of the listing as indicated above for New Providence only.

### Family Islands

## Berry Islands

- 6.14 During the course of the audit examination, it was observed that a voucher/cheque in the amount of \$65,386.44 was processed in the name of an officer from the Ministry of Finance.
- 6.15 We discovered that this cheque was issued for the Job Readiness Programme in the Berry Islands and a review of the GL System confirmed the same. The Ministry advised that participants in that community were not paid for six (6) weeks and the Administrator at the time was not available to issue cheques for the period concerned. In light of the above situation, a cheque was issued by the Treasury Department in the officer's name and subsequently cashed by the officer. Payments were made by personnel from the Ministry of Finance directly to participants in the Berry Islands.
- 6.16 **For future programmes when transactions of the above nature are undertaken, it is recommended that adequate documentation be maintained to ensure transparency; and that disbursement of funds are remitted by the Treasury Department directly to the Family Island District and not in an officer's name.**

## Response – MOF

### General Comment – Family Islands

- 6.17 *"I was as it was put "exclusively" responsible for advising the Treasury Department and the Family Islands Administrators of the amounts of persons to be hired under the job initiative programme for each Family Island. The Treasury would have also received instructions on the amounts provided for salaries of these persons and the amount provided for NIB contributions. This information was also conveyed to each Family Island Administrator. A sample copy of the employment contract was also provided to each Administrator.*

6.18 *The Administrators were “exclusively” responsible for the selection and placement of the participants. I might add that this was the same process used during the six month job initiative programme”.*

### Cat Island

6.19 In the Cat Island District, it was observed that in some instances, salaries were paid via direct bank deposits at the Bank of the Bahamas in Cat Island. In other instances, salaries were paid by way of individual cheques. However, we also noted that salaries were paid directly to the Administrator on behalf of the employees.

6.20 It was further observed that these payment vouchers made reference to the ‘attached sub-voucher’. However, the required sub-vouchers (with signatures verifying that employees received their salaries) were not attached. We requested the same but we were advised that they could not be found. As a result, we could not verify the payments made to the participants.

6.21 **In an effort to promote transparency and accountability, we recommended that the Administrator provide an explanation as to why it was necessary for the salaries to be made payable to the Administrator as apposed to the bank or directly to the individuals.**

6.22 During the course of our audit, we reviewed payment vouchers which were paid for the supervision of the 52 Weeks Programme in Cat Island.

6.23 The then Administrator explained that these persons were hired to supervise the participants in the programme. However, Ministry of Finance advised that the policies in place for New Providence also applied to the Family Islands and as such, no business entity was entitled to receive any payments.

**6.24 For future initiatives such as this, it is recommended that standardized policies and procedures be establish in both New Providence and the Family Islands.**

*Response – MOF*

*6.25 “Administrators were provided the standard contract for employment. When the instructions were sent out it was very specific as to the number of persons to be employed. At no time did the Ministry of Finance authorize the hiring of companies”*

Eleuthera

6.26 In the North Eleuthera district, it was discovered that a participant enrolled in the programme but voluntarily left, as they obtained full employment with another company. Their last day of employment was February 9, 2012; however, they continued to receive cheques for the period February to April 2012 which totaled \$2,210.91.

6.27 They were formally requested to return the funds. At the time of our audit there was no evidence that these funds were reimbursed.

**6.28 We recommended that appropriate action be taken to have the outstanding amounts collected and brought to account and evidence be submitted to the auditors for scrutiny.**

Grand Bahama

6.29 During our audit examination of the records:

(a) We could not verify that the companies where the individuals were assigned were legitimate companies. A high percentage of the time sheets had only a signature and no official company stamp.

- (b) No documentation was on file to verify that inspections were carried out by the Ministries responsible for the programme to ensure that participating companies were legitimate and participants worked for the hours paid.
- 6.30 We recommended that proper records be maintained, safeguarded and presented for audit inspection.**
- 6.31 In addition, it is recommended for future programmes that surprise inspections are carried out to ensure legitimacy of companies and that those enrolled in the programme actually worked for the periods paid.**

*Response – MOF*

- 6.32 *“To the best of our knowledge the companies listed where individuals were assigned in New Providence were legitimate companies i.e. emails, letterhead and contract information.*
- 6.33 *It was noted in the audit document that no official inspection was conducted. While there was no legitimate inspection, the Budget Unit made every effort to maintain weekly contact with a large percentage of the companies. In addition, the Audit Unit was provided with documents including: timesheets, terminations and resignation”.*
- 6.34 The auditors were not provided with a listing of uncollected cheques returned to the Public Treasury for cancellation. We could not confirm that the journal entries of returned cheques represented a complete listing.

**6.35 We recommended that a detailed listing of uncollected cheques be provided for audit scrutiny.**

Response – Treasury Department

*6.36 “The auditors were provided with a listing of uncollected cheques and the corresponding Journal Vouchers #5 verifying that the funds were returned to account”.*

6.37 The auditors confirmed receipt of the listing of uncollected cheques for New Providence. However, our concern is related to Grand Bahama.

Abaco

6.38 In the Central Abaco district, it was discovered that forty five (45) participants were paid a total of \$302,591.80 without the required employment contracts. Neither the Administrator nor the Treasury Department had contracts for these persons.

**6.39 We are therefore recommending that:**

- (i) An explanation be provided to show how it was possible for forty-five (45) persons to be paid without the required/supporting employment contract;**
- (ii) Evidence be provided to confirm that these persons actually worked for the periods presented.**

Programme Monitoring – Family Islands

6.40 We noted that the Ministry of Finance conveyed instructions to the Public Treasury to transfer monies to the Family Islands districts based on their initial budget allocation. These allocations were usually remitted in monthly installments. The auditors were unable to confirm whether the overall



disbursements in those communities exceeded the approved allocations.

6.41 Additionally, the auditors observed that:

- (a) The Ministry of Finance did not require Administrators to submit monthly or quarterly expenditure reports.
- (b) Up to the time of our audit examination, we were unable to confirm whether unused funds were returned to the Public Treasury; neither were we able to verify that overall total expended for the Family Islands districts. We have requested the Ministry of Finance to provide the above information.
- (c) There were no clearly defined parameters for programme monitoring in the Family Islands. We noted that Administrators provided limited information on how the programme was administered in their communities and the initiative's impact in their respective districts.

6.42 **It is therefore recommended that:**

- (a) For future initiatives, the responsible agency incorporate as a programme requirement that Family Island Administrators submit periodic expenditure and progress reports.**
- (b) The Ministry provide a detailed account of the amounts expended and funds returned to the Treasury Department in each Family Island district where the job readiness programme was administered.**
- (c) The Ministry request Administrators to submit a report of the overall impact of this programme in their communities, outlining the number of persons who as a result of the job initiative received permanent employment or acquired additional job skills.**

## Internals Controls

6.43 Internal controls for the operation of the 52 Weeks Programme were severely deficient. From the onset of the programme, the insufficiency and absence of key controls created an environment highly vulnerable to the occurrence of fraud.

6.44 We identified internal control weaknesses including:

- (a) The Ministry of Finance did not undertake any onsite inspections of participating business entities to determine their legitimacy.
- (b) They did not verify whether business entities enrolled in the programme had a current business license or if their national insurance contributions were current. This exposed the possibility that some entities were operating illegally and uncollected revenue may be due to the Government and the Board.
- (c) The Ministry did not adequately maintain accounting records of the payments made and we were not provided with evidence that monthly expenditure reports and reconciliations were prepared.
- (d) Although, expenditures relating to the job initiative were generally paid from item number 021-3191999-11, we observed instances where other items were used to pay commitments for the job initiative. Tracking expenditures was a cumbersome exercise and as result this increased the risk of understating expenditures, inaccurate reporting and budgetary inefficiencies.
- (e) The Budget Section at the Ministry assumed direct responsibility for managing the entire programme. This responsibility coupled with the Sections existing duties and their inexperience in this area, made it more difficult for this Unit to efficiently and effectively execute this assignment. This reality created the potential for

additional risks associated with manpower shortages, inadequate monitoring procedures and overall lack of independence in programme execution.

- (f) There were no standardized operating procedures in place. The Ministry did not provide Island Administrators and the programme coordinators in Grand Bahama with a procedural manual to be governed by. We noted that there were no stated policies for sick or maternity leave. It was observed that persons in New Providence were granted unpaid maternity leave. The auditors were informed that this was not permitted in Grand Bahama. These situations resulted in inconsistencies in managing the initiative.

6.45 Additionally, we observed the following concerns that significantly impacted the overall programme management:

**(A)** Cancelled Cheques

During our analysis of cancelled cheques in New Providence we noted that:

- (a) The total representing cancelled cheques was \$1,383,831.20 which included amounts for the periods indicated below:

2011 / 2012	\$594,734.09
2012 / 2013	\$789,097.11

- (b) Included in the period 2012/2013 was an amount for \$155,797.32 representing cancelled cheques for the Teacher's Aide Programme. In reviewing the exchange of emails between personnel at the

Department of Education and the Ministry of Finance we noted that:

- (i) Some Aides had cancelled cheques representing 8, 12, 17, 18, 22, 23, 42, 43, 44, or 49 consecutive pay periods (weekly cheques).
- (ii) Four (4) Aides each had cancelled cheques representing 50 consecutive pay periods.
- (iii) It was further noted that no adjustments were made to the weekly payrolls for the pay periods concerned.

*Response – MOF*

6.46 *“The following provides justifications for the large volume of cancelled cheques:*

6.47 *There was a delay in providing the Budget Unit with the attendance registers which outlines resignation, termination, sick leave and absenteeism from the participating companies. Once the information was received immediate corrective measures was taken to make the necessary adjustments i.e. cancelled cheques.*

6.48 *During the early stages of the programme, participants were employed almost immediately and cheques were prepared simultaneously. As the programme progressed, the placement of participants became more challenging the decision was made to advise the Treasury Department to print cheques upon placement of participants. Particular groups five and seven”.*

*Response – Treasury Department*

6.49 *“The Ministry of Finance informed us that all information pertaining to the Teachers Aides would be sent to us from the*

*Department of Education. We received completed Spreadsheet every week with the participants' names indicating that they were to be paid. We were not aware that the Teacher's Aides had either not reported to work or had missed several weeks. This had only become known when the department of Education returned all the cheques at the end of the programme".*

## **B. Segregation of Duties**

6.50 It was noted that little segregation of duties was maintained within the programme. In New Providence, the Ministry was responsible for conveying weekly instructions to the Public Treasury for adjustments to the payroll with the exception to the components managed by the Bahamas Vocational Technical Institute (BTVI) and the Public Hospital Authority (PHA).

6.51 Weekly cheque distribution was managed within the Unit with the exception of cheques for Teacher's Aide (issued by the Department of Education). Uncollected cheques were retained by the Unit and then forwarded to the Treasury Department for cancellation. These conditions in addition to creating potential opportunities for the occurrence of fraud resulted also in risk factors related to cheques issuance and crowd control. It was noted that on a given Friday at the Ministry of Finance premises large numbers of persons convened to collect their cheques. We also learnt that on Fridays at the Royal Bank of Canada in Freeport, bank personnel were overwhelmed with persons seeking to cash their weekly cheques, as there is only one branch in Grand Bahama. The Bank recommended that persons be paid by direct salary deposit.

## **C. Direct Deposit - Salaries**

6.52 When the programme commenced in September 2011, we noted that no arrangements were in place to implement

direct deposit. We later observed in December 2011, that the Ministry of Finance communicated with Royal Bank and the necessary information was completed and submitted to the Treasury Department to institute direct deposit. The Ministry informed the auditors that they forwarded to the Treasury Department the required documentation to commence direct deposit, but they were not certain why this process was never implemented.

### Response – Treasury Department

6.53 *“According to information recently received, the Treasury Department advised that direct salary deposits were not implemented as there were unresolved information technology (IT) issues that were not addressed by Royal Bank. The Ministry of Finance has reported that the Bank has advised that there were no known IT concerns and they have the capacity to institute direct salary deposits for weekly paid persons and this service is available for any future programme”.*

### Financial Outlay

6.54 We noted that the approved funding for the 52 Weeks Job Readiness and Training Initiative was \$48 million. We observed the following:

- (a) Expenses were made from other line items.
- (b) Accounting records were inadequately maintained.
- (c) Lack of monthly expenditure and reconciliation reports.
- (d) The total expended for Family Island programmes was not determined as no detailed financial records were provided including the total of unused funds returned to the Treasury Department along with the Cash Books.

(e) We noted that no pre-determined amounts were established for the training component and we were not provided with a comprehensive listing of the sessions conducted.

6.55 Based on our analysis of account number 021-3191999-11, for the period July 2011 – May 2013, we confirmed the amounts spent in New Providence, Grand Bahama and Abaco and remitted to the other Family Islands in the table below:

PERIOD	ABACO \$	GRAND BAHAMA \$	NEW PROVIDENCE & FAMILY ISLAND \$	TOTAL \$
2011 / 2012	2,020,617.60	6,908,233.81	15,287,994.98	24,216,846.39
2012 / 2013	1,027,826.55	5,122,337.38	9,159,649.78	15,309,813.71
TOTAL	3,048,444.15	12,030,571.19	24,447,644.76	39,526,660.10

6.56 Inclusive of the overall disbursements from the above account and expenditures from other line items the overall disbursements amounted to approximately \$41 million.

6.57 **It is recommended that the Ministry provided a detailed accounting of disbursements from other expenditure items relating to this initiative.**

6.58 **Additionally, Family Island Administrators should fully account for sums received and unused funds should be remitted to the Public Treasury.**

6.59 **It is also recommended for future initiatives that the Ministry:**

- (i) **Establish an itemized budget for salaries, training and other major components;**
- (ii) **Ensure that proper accounting records and reports generated in line with existing financial requirements.**

## Conclusion

- 6.60 We found that there were a number of deficiencies in the overall management and internal controls of the programme. Based on the Cabinet Conclusion, various segments of the programme were not met; namely, the Ministry did not undertake any performance reviews neither did they establish a skill databank and unemployment register.
- 6.61 The magnitude and scope of this programme was an ambitious undertaking by the Ministry of Finance. We feel that the experiences and exposure gained will assist in the effective management of future projects of this nature.
- 6.62 We discussed the findings of our audit with management at the Ministry of Finance, who agreed to take corrective measures to address the concerns highlighted in our report.
- 6.63 The actions proposed are as listed:
- (i) Ensure that all future programmes of this magnitude are managed by full dedicated staff within the Ministry of Finance or another agency within the Public Service.
  - (ii) Proposed changes to the Financial Administration and Audit Act to avoid large expenditures being funded outside the parameters of the budget (i.e. improving transparency with respect to all below the line expenditure).
  - (iii) Commission the writing of a comprehensive procedures manual and implement training courses on financial procedures for all staff within the Ministry of Finance and the Treasury Department. It is clear that there is not a full understanding of the importance of properly documenting and reconciling expenditure approvals.
  - (iv) Consult with Royal Bank of Canada to determine what steps are needed to be taken by the Government to



institute direct deposits for all employees and vendors within the shortest timeframe to minimize the possibility of fraud.

- (v) Consider what levels of accountability should rest with the individuals within the Ministry of Finance who had responsibility for managing the programme, and direct actions which should be taken in this respect.

# Revenue & Expenditure Audits

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# Chapter 7

**SECTION SEVEN  
REVENUE & EXPENDITURE**

Antiquities, Monuments And Museum Corporation

Revenue

7.01 According to the trial balances provided by the Antiquities, Monuments and Museum Corporation, the revenue collected consisted of Admission Fee at Fort Charlotte and Fort Fincastle, Gift Shop at the Forts, Rental of Sites (including tent and chairs), donation, grants, licenses and permits and tuck shop as shown in the table below.

REVENUE	2011/2012 \$	2012/2013 \$	DIFFERENCE \$
Sales	0.00	900.00	900.00
Gift Shop Sales	78,301.72	114,547.61	36,245.89
Books	816.00	594.00	-222.00
Events (Ft. Charlotte & Collins Complex)	0.00	3,200.00	3,200.00
Tuck Shop Sales	11,497.41	20,164.28	8,666.87
Rental of Equipment	1,802.95	1,064.95	-738.00
Admission Fee – Fort Charlotte	175,460.00	128,923.50	-46,536.50
Admission Fee – Fort Fincastle	188,393.00	179,847.00	-8,546.00
Admission Fee – Montagu	0.00	3,408.00	3,408.00
Admission Fee – Pompey	8,563.75	0.00	-8,563.75
Rental of Facility	9,378.25	4,500.00	-4,878.25
Rental of Office Accommodation	0.00	11,592.50	11,592.50
Permits	16,550.00	3,550.00	-13,000.00
Uncategorized Income	2,728.65	809.35	-1,919.30
Miscellaneous Income	0.00	260.00	260.00
Festival	16,800.00	0.00	-16,800.00
<b>TOTAL</b>	<b>510,291.73</b>	<b>473,361.19</b>	<b>-36,930.54</b>

7.02 Total revenue the fiscal year 2012/2013 amounted to \$473,361.19, which represented a decrease of \$36,930.54 (7.8%) from the \$510,291.73 revenue collected in 2011/2012. The decrease of revenue was due to the reduction of admission fees at Fort Charlotte.

- 7.03 During our review of the admission fees to the Forts, we were informed that the Corporation has an arrangement with the private tour companies to admit tourist into the Forts and they will be billed on a monthly basis. The amount outstanding from the private tour companies is \$334,983.68. Reminders were sent to the various companies to reflect as such.
- 7.04 **We recommend that management continue its effort to collect the outstanding balance from the Private Tour Companies.**
- 7.05 The Templeton Foundation agreed to give the Corporation \$380,000.00 which is to be issued in installments. The grant was given for the restoration of the slave ship Peter Mowell to be displayed in the center of the Pompey Museum. To date the corporation has utilized \$85,000.00. However, due to the fire in December 2nd, 2011 that destroyed the Pompey Museum the work was delayed on the restoration process. As a result, an extension was requested and granted until March 29th, 2015 in order to complete the project.

#### Ministry of Environment & Housing Corporation Sole Account

##### Lot Deposits

- 7.06 While examining the Cash Book for the period under review we noted that in some instances funds were collected but were not deposited in a timely manner.
- 7.07 **We recommended that when funds are collected it should not be allowed to accumulate for inordinate periods.**

##### Lot Assignments

- 7.08 While scrutinizing of the files for rent to own and lot assignees we observed where some Rent to own and lot assigned holders were not adhering to the agreement made between themselves and the Ministry. At the time of the review the

amount of \$87,813.00 remained outstanding. There were instances where:

- (i) Some assigned lot holders made only one payment since 2009.
- (ii) Lot holders were sent reminders but no payments were made.

**7.09 We recommend that the Ministry pursue the collection of fees that has been outstanding since 2009.**

#### Expenditure

7.10 While reviewing Expenditure files for payments for the period December 2011 to September 2012, we noted that payments in the amount of \$500,471.76 were made from the Corporation Sole Account to be reimbursed by the Department of Housing. These payments facilitated the needs for various work such as house repairs, subdivision road work, Land Clearing, etc.

7.11 Further we noted that these payments were necessary as the supplemental funding requested had not yet been approved. At the time of review the amount of \$500,471.76 was not reimbursed to the Corporation Sole Account.

**7.12 We recommend that the \$500,471.76 be reimbursed.**

#### Department of Labour

##### General Receipt Books

7.13 While verifying General Receipt Books to the Cash Book we noted that irregularities existed such as:

- (i) General Receipts issued by the Department of Labour for Notification of Vacancies Fees were not recorded in the Cash Book.

(ii) General Receipt Books were not seen or produced for audit's inspection.

7.14 We view this matter very seriously as it poses a potential risk of theft. Based on our evaluation and according to the daily revenue intake the processing fees are small, but when added it can have a great effect on the value of the revenue intake. As the Receipt Books were not produced for audit inspection, the dollar value could not be determined.

**7.15 We recommended that the role of Accounts Management be strongly exercised so that at the end of the day all Receipt Books are accounted for as well as recorded in the Cash Book correctly and completely. Also, to ensure that Revenue recorded agrees with prepared Bank deposits slips.**

#### Cash Book

7.16 During our examining of the Cash Book we noted that on two (2) occasions pages were torn out of the Cash Book, i.e. August 30<sup>th</sup> – 31<sup>st</sup> 2011 and February 7<sup>th</sup> 2013. As a result, the dollar value of the receipts could not be determined.

**7.17 We recommended that under no circumstances, should pages be torn out of the Cash Book. We view this action as very serious. Management should take corrective action as a matter of urgency with the accounts section ensuring that this practice does not happen again, as the Cash Book is a permanent record of the accounting documents. The reason for this action should be fully explained by the relevant accounting officer.**

## Revenue

### Family Islands Notification of Vacancies Fees

- 7.18 According to the figures provided by the Department of Labour the revenue collected for the fiscal years 2012/2013 amounted to \$91,950.00 compared to \$82,680.00 for the fiscal year 2011/2012 which represents an increase of \$9,270.00 or 10 percent.

### Bahamas Information Services Department

- 7.19 During our examination of the accounting records we noted that revenue was not journalized on The Bahamas Government Financial System (C.A. System) in accordance to the Treasury Manual. Section 8.0 that states, **“All agencies must enter revenue collected to the General Ledger on a daily basis.”**
- 7.20 **We recommended that the Department comply with the Treasury procedures for journalizing revenue.**
- 7.21 We were informed during our interview that Revenue Deposits are withheld for a period of three (3) months before being deposited to the bank.
- 7.22 **We recommended that where possible all revenue be deposited to the bank within twenty-four (24) hours or by the next working day.**

### Cash Book

- 7.23 We observed that a cash book was not maintained, to record receipts issued for revenue collected.
- 7.24 **We recommended that a Cash Book should be implemented and maintained by the accounts section.**

### Travel and Subsistence Register

- 7.25 We noted that the Department did not have in place a travel and subsistence register. As a result it was difficult to verify that all employees who received advances were supported by the expense claims. There is an increased risk for fraud to occur by not implementing a register.
- 7.26 **We recommended that a Travel and Subsistence Register be implemented and maintained by the accounts department on a monthly basis.**

### Expenditure Parking Towing Fee

- 7.27 While scrutinizing a sample of the expenditure accounts we noted that there were instances where payments were made for purchases without prior approval.
- 7.28 **We recommended that the practice of purchasing prior to proper authorization and approval be discontinued.**

### Water & Sewerage Corporation A/C No. 775-774

- 7.29 A review of the Water and Sewerage Corporation Account No. 775-774 for the period January 2011 to March 2011 revealed that the Department has a credit balance of (\$20,917.20) and an amount overdue as (\$20,917.20). We further observed that the bills was not reconciled and could result in balances not being recorded correctly; and possible over or under payments.
- 7.30 **We recommend that the bills of the Water & Sewerage Corporation be monitored through monthly reconciliations and overdue balances should be investigated.**



## Contract Officers

- 7.31 Four (4) files for the period under review revealed the following; the contract for an officer ended on March 4, 2012; however, employment continued. We observed a letter dated April 25, 2013 that indicated his services were no longer required as of August 31, 2013.
- 7.32 **We recommended that officers contract are adhered to. Also, approval for extensions of employment for the period May 5, 2012 to August 31, 2013 be forwarded for our review.**

## Port Department

### Revenue - Prince George Dock

- 7.33 Our analysis revealed that the total revenue collected during the period 2011/2012 and 2012/2013 amounted to \$7,020,345.77 and \$8,558,899.11 respectively. This represented an increase of \$1,538,553.34 or 21.9% for the fiscal period 2012/2013.
- 7.34 During our review of the accounts receivable ledger for water usage at the Prince George Dock, we noted that the outstanding amounts totaled \$516,542.20 as at June 30, 2013.
- 7.35 **We recommended that management send out reminders on a quarterly basis in an effort to collect all monies owing the government.**
- 7.36 During our review of the dock annual for fees New Providence and Paradise Island, we noted that:
- i. Uncollected fees up to the June 30, 2013 totalled \$896,482.32.
- 7.37 **We recommended that management vigorously pursue the collection of the amounts outstanding; otherwise the penalty,**

**as prescribed in Section 40 A (3) of the Port Authorities (Amendment), 2003 should be applied.**

7.38 During our review of the dock annual fees Family Islands, we noted that:

i. Uncollected fees up to June 30, 2013 totaled \$1,624,123.75.

7.39 **We recommended that management vigorously pursue the collection of the amounts outstanding, as prescribed in the Port Department Amendment Act No. 8 Section (3) of the Port Authorities (Amendment). 2003 should be applied.**

7.40 During our review of the tug boat fees we noted that the outstanding amount up to June 30, 2013 totaled \$367,112.89.

7.41 **We recommended that management vigorously pursue the collection of the amounts outstanding, as prescribed in the Port Department Amendment Act No. 8 Section (3) of the Port Authorities (Amendment), 2003 should be applied.**

7.42 During our review of the Family Island Administrators files, we noted in many instances that the revenue reports (whether produced monthly, quarterly, bi-annually or annually) were not submitted by the Family Island Administrators. As a result, we were unable to determine the amount of revenue collected on the Family Island or the amount outstanding.

7.43 **We recommend that all Administrators send their revenue report on a timely basis in order to ensure accountability and transparency of the accounts.**

#### Port Department – Potter’s Cay Dock

7.44 During our examination of the accounts at the Potter’s Cay Dock we noted that there is no segregation of duties as one officer is responsible for many incompatible accounting functions as stated in our previous audit report DAG/C.9/1/96

query 3.1 dated March 5, 2010. Management is still aware of the current situation.

**7.45 We recommended that management ensures that an independent officer verifies the revenues collected on a daily basis.**

7.46 While reviewing the ledgers for water and pierage for the period June 30, 2013 we noted that \$809,298.45 was outstanding as stated in the table below.

DESCRIPTION	AMOUNT \$
Pierage Fees for Mail and Freight Boats	141,488.96
Water for Mail-Boats and Fishing Vessels	80,962.34
Pierage Fees for Fishing Vessel	586,847.15
TOTAL	\$809,298.45

**7.47 We recommended that management determine whether the revenue is collectible and a decision should be made to address the matter.**

7.48 During our examination of the accounting records of the Potter's Cay Dock revenue reports were not provided for audit review.

**7.49 We recommended that the revenue reports be made available for audit review.**

7.50 We were informed that the cashier was not provided with a float to facilitate the collection of revenue at the Port Department Potter's Cay Dock. We were also informed by management that a request was made to the Treasurer to address the situation. At the time of the review the situation had not yet been addressed.

7.51 A fee schedule was provided for containers and booths on the dock. However, revenues are not being collected due to the

fact that there is no legislation in place governing the collection of revenue from containers. We noted during our review, that the Potter's Cay dock is congested with the containers thus creating a safety hazard in our opinion.

- 7.52 We recommended that measure be taken to address the matter.**

#### Expenditure

- 7.53** During our review of the Water and Sewerage Corporation bills for the Port Department, we noted that the cost of water used for the period October 24, 2012 to August 29, 2013 amounted to \$501,885.81. All vessels (Cruise Ships, Mail Boat, Freight Boats, Private Vessels, etc.) are only charged 0.015 cents per gallon for water consumption for these vessels.

- 7.54 We recommended that management seek to address the fee structure with a view of increasing the current rate to ensure that the amounts charged and paid are equitably distributed.**

#### Inventory

- 7.55** We were informed that there is currently no inventory listing for assets.
- 7.56 We recommended that an inventory listing for assets own by the Department be created and maintained.**

#### Contracts

- 7.57** Currently a contract does not exist for the cleaning of the Prince George Wharf. The Wharf is presently being cleaned by the maintenance staff. The last contract expired on January 31, 2013 an extension was granted for three months up to April 30, 2013.

## Risk in the Department

7.58 We have audited the accounts of the Port Department and through interview with management and line staff and through observation have determine that the risk at the department is high with regard to the revenue collection as the internal controls are weak.

- 1) There is great concern in regards to the large amount of revenue that remains outstanding on an annual basis for services provided by the Port Department. The Port Department is not enforcing the laws (penalties) as prescribed by the Act. The Department is allowing persons/companies to utilize Port services without paying the required fees. As a result, the Government continues to lose revenue but has to bear the cost of these services.
- 2) We were informed and observed that the Port Department is faced with the challenge of shortage of staff. There is also the challenge of segregation of duties in some areas. One (1) person is responsible for too many incompatible accounting functions. There is only one inspector in the department. Presently, docks (public, private and marinas) are not being inspected. Also there is a shortage of lighthouse operators on the Family Islands and beach enforcement officers. As a result a large amount is owed for overtime.
- 3) Family Island Administrators do not inform the Port Department on the number of permits granted for docks by the Local Government Town Council. As a result, the audit team was unable to determine the correct amount of revenue that is outstanding.

## Registrar General's Department

### Cash on Hand

- 7.59 We noted that General Service Workers, Receptionist, Filing Assistant, and a Chief Clerk are still functioning as cashiers as stated in our previous audit report.
- 7.60 **The cashier is a vital position in any Ministry/Department and accordingly we recommended that those who hold such position are properly classified.**

### Revenue

- 7.61 We were informed by the Accounts Section that occasionally due to shortage of staff on any given day one of the Accounts personnel will have to perform all of the revenue function including cashing, counting, verifying the end of day total revenue, and writing up of the deposit slip.
- 7.62 **We recommended that segregation of duties be addressed by management to strengthen controls in collecting, verifying and depositing of revenue.**
- 7.63 During the course of our audit we noted that, there was no security personnel at the Registrar General's Department since December 6, 2012 due to the fact that the contract had expired. The security contract for the department went back to tender. There was a great concern about the safety of the staff members because the department collects a large amount of revenue. However, on April 5, 2013 Dell Security Co. was granted approval for a contract and assumed duty on April 17, 2013.
- 7.64 We were informed and observed during our review, that an Official Registrar General's Seal is kept out on the counter by customer service section and that any employee in the section can seal a birth/death certificate and then forward the document for signature. We view this as a weakness in the

system, which can lead to unauthorized persons affixing the seal to incomplete documents.

**7.65 We recommended that official seals which authenticate documents be properly secured and only the senior officers authorized should apply a seal and sign the relevant documents.**

7.66 While reviewing the process for issuing birth, death and marriage certificates we noted that the Payment for Services Forms provided by the Department are not properly completed in that some forms:

- Did not have the registration number affixed.
- Only have the customer's last name and/or initial of the first name recorded.

**7.67 We recommended that all forms be properly completed with the customer's full name, registration number, quantity requested and amount to be paid. This would facilitate a clear audit trail.**

7.68 There are no controls in place for the issuance of the certificates by the births and death section. Employees will take out the number of certificates they think they would need on a daily basis out of the box and place them in their copier. There are no checks and balances done at the end of the day on how many certificates were issued, voided and unused.

**7.69 We recommended that management implement the necessary controls for the issuance of certificates in the section.**

7.70 The department has in their possession pre-numbered death certificates. We observed however, that un-numbered certificates were still being utilized at the time of our audit.

**7.71 We recommended that management discontinue the issuance of these un-numbered death certificates and that the pre-**

**numbered ones be used; adding another level of control to the process of issuing death certificates.**

7.72 We observed that voided copies of certificates (birth, death and marriage) are kept in boxes throughout the Birth, Death and Marriage Section. We were unable to verify/determine at the end of day how many certificates were issued or voided by the authorizing officer(s).

7.73 **We recommended that all voided certificates be properly processed by an officer authorized to do so. This would facilitate an audit trail.**

#### Expenditure

7.74 During our review of the stock of supplies rooms we noted that when supplies are issued it is recorded in a register, dated and signed by the receiving officer. However, the department does not maintain proper stock register to show when items are received by the department and a running balance of goods remaining after they are received or issued.

7.75 **We recommended that the department implement a proper stock register with goods received, issued and a running balance.**

#### Payroll

7.76 During our review we noted that there were nine (9) General Service Worker's who have been granted contracts and renewal of contracts for five to six (5 - 6) years from as early as January 1, 2007 with the Department. There remains no directive on whether to have these employees regularized.

7.77 **We recommended that the General Service Workers be regularized as soon as possible as stated in our previous report.**



## Birth Certificates

7.78 According to the Birth Certificate Listing provided by the Registrar General's Department there was a total of 4,098 births registered between the period April 25, 2012 and April 30, 2013 compared to the Princess Margaret Hospital records of 3,993 for the same period.

7.79 While reviewing the births registered for the period April 2012 to April 2013 we noted that:

(i) An employee was able to enter a number of birth certificates after being transferred from the MIS Section on March 5, 2012. During our review the employee was subsequently disabled.

Upon further investigation it was discovered that the Registrar General's Department has no records of these persons birth being registered with the Department.

(ii) A number of transactions shows that the name and date of birth were duplicated, however, each transaction had a different birth ID number. We were unable to determine the reason for the duplication.

(iii) A number of infants were registered as:

- Either Baby Boy or Baby Girl; as a first name for babies born between 2011 and 2012.
- Last names were not indicated instead a period (.) was inserted.
- First names were not indicated.

This was done in accordance with the Birth and Deaths Registration Act, Chapter 188 Section 15. (1).

(iv) A number of transactions were seen registered without a date of birth.

- (v) We were informed that Staff with ultimate access (level 9) would assist in entering births when the section is short staffed.
- (vi) Seventy five (75) births were registered by an officer after they were transferred. There were no records found for these persons in the Data Management Search Section of the department. Also, we traced a sample of the births certificates to the Passport Office and found that they were issued Passports or Certificate of Identity and others have made application for passports. At the time of the review this matter was under investigation by the Royal Bahamas Police force.

#### 7.80 Recommendations:

- (i) Management should have an investigation carried out on the births registered by the employee that was transferred.**
- (ii) The Department should determine which registered birth is correct and have the duplicate deleted from the system. Also, we recommended that employees exercise due care and attention when entering transactions to avoid such duplication of information.**
- (iii) All babies should be registered with at least a first and last name. We further recommended that the Birth and Deaths Registration Act, Chapter 188 Section 15. (1) be amended to reflect the same. This would facilitate a clear audit trail.**
- (iv) An explanation should be given as to how a person could be registered without a date of birth being entered. Also, we recommended that the date of birth field be a required field to have a birth registered.**
- (v) As far as possible management should ensure that staff of the MIS Section are not functioning as registration**

**officers. We view this with much concern and recommended that management discourage this practice.**

### Search Cards

7.81 During our review of Search Cards for the period April 1, 2012 to April 30, 2013 we noted that:

- (i) Only Search Cards that are issued are recorded in a register. We were unable to determine whether search cards are issued out of sequence or unaccounted for.
- (ii) In some instances all the necessary documentation which should accompany the application for a Search Card was not found attached however, we noted that Search Cards were issued.
- (iii) A number of persons received Search Cards despite the fact that they received a negative letter of Proof of Birth from the Princess Margaret Hospital (PMH). The negative letter states that PMH "cannot positively certify that the person gave birth to a live baby on the Maternity Ward of the PMH". We noted that a Voters Card, School Letter, Baptismal Certificate or Immunization Card was used to obtain the Search Card.
- (iv) A number of persons were issued the same Search Card on two (2) different days. It was noted that, there were no supporting documents found for the second Search Card issued.
- (v) Persons born before July 1, 1966 could use a voter's card in order to receive a Search Card. However, we noted that persons who did not have a birth certificate and requesting a Search Card were able to obtain a passport and subsequently a voter's card. We noted further that the voter's card was used to secure a Search Card.

**7.82 We recommended that:**

- (i) Records of all Search Cards be recorded in the register including the ones issued and unused. This would facilitate a clear audit trail in that all Search Cards would be accounted for.**
- (ii) No Search Card be issued without all the necessary documentation required to receive a search Card and attached to the application form.**
- (iii) Management pay close attention to applicants and implement stringent policies when other documents are used solely as proof of someone being born in the Bahamas even though the hospital/clinics cannot certify the birth of the individual.**
- (iv) An explanation be given as to how the same search card could be issued on two separate days as the Search Cards are pre-numbered.**
- (v) An explanation be given how someone could obtain a passport and subsequently a voter's card without having a birth certificate.**

Human Resources and Management Information Service Section

**7.83** During our audit we were informed that a number of employees were transferred for up to 10 months, however, they were not disabled on the Registrar General's Department system until May 22, 2013.

**7.84** **There needs to be increased communication between the HR Section and MIS Section by officially informing the MIS section of all transfers or termination in order for the employee to be disabled.**

## Observation

7.85 During our audit we observed that there still is a challenge with storage space and housing of files at No. 50 Shirley Street as indicated in our report DAG/C.9/1/201 dated June 16, 2009 as follows:

- Highly sensitive records were not adequately stored due to a shortage of storage space.
- Company files were stored in cabinets that were not fireproof.
- Deeds and other records are stored on top of filing cabinets or wherever space can be found. The deeds contain irreplaceable records going back for decades.

**7.86 We recommended that every effort be made by management to properly secure the documents.**

7.87 We were informed that all Justice of the Peace (JP) documents are kept at the Office of the Attorney General. The Department has the signature for all Marriage Officers on each of their initial application form that is filed in alphabetical order in filing cabinets. However, the department does not have signature cards for all JP/Marriage Officers.

**7.88 We recommended that all authorized JP/Marriage Officer Signature cards be lodged at the Department of the Registrar General.**

## Real Property Tax

7.89 The outstanding Real Property Taxes for the fiscal year 2012/2013 amounted to \$100,236,127.52. In addition, the cumulative outstanding taxes for prior years totaled \$490,132,411.25; thus giving a grand total of \$590,368,538.77.

DESCRIPTION	CURRENT AMOUNT \$	PRIOR YEARS \$	CUMULATIVE \$
Current Taxes	83,348,153.46	336,787,619.88	420,135,773.34
Current Surcharge	16,887,974.06	153,344,791.37	170,232,765.43
Taxes Outstanding	100,236,127.52	490,132,411.25	590,368,538.77

**7.90 The outstanding amount of \$590,368,538.77 is exorbitant; and continues to increase from year to year. We recommended that immediate measures be implemented, to address the problem of outstanding taxes.**

## Ministry of Public Service

7.91 There are deficiencies in control as it relates to the ministry's expenditures. Overall, the Ministry's performance has been satisfactory in operating within the confines of the policy and procedure in regards to Ministry of Public Service human resource matters. However, there is lack of monitoring of information processed via the JD Edwards, the Monthly Payroll Transaction Forms and the Alpha Listing. Auditors noted that controls surrounding the management and accounting for office rent/lease and insurance premiums are weak. The accounts area is short staffed and additional accounting officers are needed to facilitate timely accounting and payments.

## Expenditure

### Accommodations Unit - Leases

7.92 This unit is responsible for locating and identifying suitable and available office space for lease by the government. According to officers, after locating an office space, the Ministry of Works and Urban Development (MOWUD) has to first perform a technical assessment of the building to ensure that the physical structure (interior and exterior) is suitable and passes inspection. The lease agreement also goes to the Attorney General (AG) Office for review. We noted a number of deficiencies:

- Currently there are no formal written policies and procedures governing the operations of the unit. However, the auditors noted that the unit is in the process of implementing one.
- This unit is also responsible for ensuring that the leases remain current. However, there is a significant number of leases that are expired and have been for a number of months.
- Staff of the Unit expressed concerns to the Auditors about the delayed process of securing a rental property for government agencies due to leases not being vetted in a timely manner. They suggested that an in-house legal consultant be assigned to Ministry of Public Service (MPS).

7.93 **The following recommendations were made:**

- **Management should ensure that a written policy manual is implemented to ensure that strict guidelines governing the unit are adhered to.**
- **Management needs to ensure that this unit has the resources (human or otherwise) to have these contracts renewed expeditiously.**

- **Management needs to find a legal consultant for Ministry of Public Service (MPS) to help expedite the rental accommodation process and vetting of leases.**

### Leases and Rental Agreements

7.94 Auditors selected a sample of twenty three (23) rental payments from the account item (Office Rent-Accommodation). The following deficiencies were noted:

- Nine (9) of the rental agreements were not on accounts file resulting in a scope limitation.
- In eight (8) cases payments were being made on expired rental agreements.
- None of the files showed that the statement of accounts were reconciled for rental agreements.
- There are lease agreements on file that are not signed and sealed by the Treasurer of The Bahamas.

7.95 **The following recommendations were made:**

- **All rental agreements should be properly filed for ease of reference and audit trail.**
- **Management should ensure that new rental agreements are entered into as payments should not be made on expired contracts.**
- **Statement of accounts should be prepared and reconciled on a monthly basis to ensure that the balances due are accurate.**
- **Management should obtain a valid lease agreement which should be signed and sealed by the appropriate persons.**



## Ministry of Tourism

### Travel and Subsistence

7.96 Ministry of Tourism (MOT) has a significantly large budget for travel. However, auditors noted the following control weaknesses:

- Presently no travel register is maintained. We were informed that MOT had previously used a database system which crashed about five (5) years ago. Since then, no record is kept as to the persons travelling, dates, destination, and total cost of travel.
- Auditors noted that travel expense reports are not turned in and are not cleared within the specified twenty one (21) day period.

7.97 **The following recommendations were made**

- **Management should ensure that a travel register is maintained on a consistent basis. Additionally, all information pertaining to travel should at all times be posted to the travel register.**
- **Treasury Procedural Manual 10.5 states that travel advances should be accounted for within 21 days of completion of travel. Management should ensure that persons travelling comply with this procedure. This policy needs to be strictly enforced for travel expenses.**

### Accounting for Contracts and Supplier Payments

7.98 Auditors selected a sample of forty (40) contractual files and two (2) suppliers files. We reviewed the files (payment vouchers as well as contractual agreements) and noted the following internal control weaknesses:

- Nine (9) of the files first selected were not received.

- Auditors reviewed the files and noted that thirty four (34) of the files did not have contractual agreements on them.
- Three (3) of the six (6) contractual agreements received were expired.

**7.99 The following recommendations were made:**

- **Management should ensure that files are located and made available for auditors review.**
- **Management should ensure that all contracts entered into are properly filed for ease of reference and accessible to auditors for review.**
- **Management should ensure that new contractual agreements are entered into as payments should not be made on expired contracts. Accounting officers cannot make accurate payments if they are unaware of the terms of the contract.**

**7.100** There was a lack of supporting documents on the files as follows:

- Eighteen (18) of the files received did not have the requisite payments vouchers attached.
- Auditors saw no evidence where any of the contractual and suppliers accounts are reconciled.
- Auditors requested a list of all contracts entered into by MOT but never received one.
- Auditors requested the insurance contracts for review but never received them.

**7.101 The following recommendations were made:**

- **Management should ensure that all payment vouchers are placed on files for audit purposes.**
- **Statement of accounts should be prepared and reconciled on a monthly basis to ensure that the balances due are accurate.**
- **Management should prepare a contract list to reflect all contracts that MOT has entered into. This is necessary for proper accounting of contractual obligations and for audit purposes.**
- **For proper accounting and record-keeping insurance contracts should be properly filed and made available for auditors review.**

Accounting for Cheques

**7.102** MOT operates five (5) bank accounts in the following currencies: Euro, Pound Sterling, Canadian, Bahamian and US dollars. Auditors reviewed the bank reconciliation statements for these accounts and noted that none of the accounts with the exception of the Euro and Pound Sterling were up to date as outlined below:

- The last reconciliation performed for the Bahamian Dollar account was January 2012.
- The last reconciliation performed for the US Dollar account was June 2012
- The last reconciliation performed for the Canadian Dollar account was May 2012.

**7.103 It was recommended that:**

- **All bank reconciliations should be properly prepared on a monthly basis (within thirty days). This is necessary to ensure that the balances on statements are accurate and the general ledger is updated.**

Wire Transfers

7.104 Auditors noted that MOT accounts section is still not maintaining a wire transfer (w/t) register even though it was recommended that one is maintained during the last audit conducted in 2011. Also, as a result of not maintaining a wire transfer book, the total amount of monthly and annual wire transfers could not be determined.

**7.105 It was recommended that:**

- **All wire transfers should be recorded in a wire transfer book (incoming and outgoing). Additionally all disbursement procedures for wire transfers should be documented.**

Gaming Board

Outstanding Taxes for closed Casinos

7.106 The outstanding taxes for closed casinos amounted to approximately fifty (50) million dollars inclusive of the following casinos; Lucayan Beach, Isle of Capri, Ruffin Crystal Palace, Casino at Bahamia and Carnival Leisure Industries.

**7.107 We again recommended that a policy decision be made to clear the books of amount owed by the closed casinos. We consider this matter to be urgent and should be given immediate attention by Ministry of Finance.**

# Bahamas Customs Department

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## Chapter 8



## SECTION EIGHT BAHAMAS CUSTOMS DEPARTMENT

- 8.01 Under the provision of the Customs Management Act 1976, the Customs Department, a branch of the Ministry of Finance, is responsible for the collection and protection of revenue obtained from General Import Duty and Excise Duties. The Department is also responsible for collecting, Air & Sea Departure Tax, and other miscellaneous fees.
- 8.02 According to the figures provided by the Customs Department, the total revenue collected during the fiscal year July 1, 2012 to June 30, 2013 amounted to \$771,503,399.62 compared with \$742,744,344.68, collected during the fiscal period July 1, 2011 to June 30, 2012, an increase of \$28,759,054.94 or approximately (4%).
- 8.03 An analysis of Actual Revenues collected is presented in the table below:

REVENUE ITEM HEAD/ITEM CLASSIFICATION	ACTUAL REVENUE CUSTOMS JULY 2012 / 2013	ACTUAL REVENUE CUSTOMS JULY 2011 / 2012	ACTUAL REVENUE FROM THE GL SYSTEM JULY 2012 / 2013
901/1100 General Import Duties	\$ 332,022,649.75	\$ 329,117,574.85	\$ 332,022,649.75
901/2100 Export Duties	\$ 14,397,861.21	\$ 16,226,583.87	\$ 14,397,861.21
902/1100 Excise Taxes	\$ 246,180,872.62	\$ 244,212,793.96	\$ 246,180,872.62
906/1100 Air Departure Tax	\$ 48,851,375.23	\$ 35,761,577.87	\$ 48,851,375.23
906/1200 Sea Departure Tax	\$ 81,078,954.90	\$ 81,629,104.90	\$ 81,078,954.90
906/1300 Pass. Tax/Pleas. Craft	\$ 418,147.00	\$ 511,715.00	\$ 418,147.00
906/2100 Pass. Ticket Tax	\$ 13,741,125.68	\$ 30,023.00	\$ 13,741,125.68
907/1100 Stamp Tax - Imports	\$ 17,547,258.49	\$ 17,561,390.70	\$ 17,547,258.49
907/1200 Stamp Tax - Export	\$ 40,259.03	\$ 60,277.08	\$ 40,259.03

REVENUE ITEM HEAD/ITEM CLASSIFICATION	ACTUAL REVENUE CUSTOMS JULY 2012 / 2013	ACTUAL REVENUE CUSTOMS JULY 2011 / 2012	ACTUAL REVENUE FROM THE GL SYSTEM JULY 2012 / 2013
907/1300 Stamp Tax on Ship Report	\$ 920.00	-	\$ 920.00
907/2100 Stamp Duty - Exports	\$ 87,902.44	\$ 7,750.00	\$ 87,902.44
919/1380 Ship Registration	\$ 20.00	-	\$ 20.00
919/1452 Customs Fines & Forfeitures	\$ 362,605.00	\$ 369,885.00	\$ 362,605.00
919/2112 Dishonored Cheques Surcharge	-	\$ 45.00	-
919/2210 Wreck Goods	\$ 1,500.00	-	\$ 1,500.00
919/2220 Customs Storage Fees	\$ 5,847.20	\$ 139,812.54	\$ 5,847.20
919/2221 Warehouse Fees	\$ 163,691.34	\$ 29,861.90	\$ 163,691.34
919/2230 Inspection Fees	\$ 742,891.93	\$ 928,934.55	\$ 742,891.93
919/2231 Overtime	\$ 3,975,840.99	\$ 3,632,175.73	\$ 3,975,840.99
919/2232 Customs Service Charge	\$ 845.00	-	\$ 845.00
919/2240 Container Movement	\$ 5,431,545.36	\$ 5,397,327.52	\$ 5,431,545.36
919/2241 Customs Container Fee - Freeport	\$ 240,319.25	\$ 393,344.25	\$ 240,319.25
919/2250 Other Customs Charges	\$ 225,150.08	\$ 230,139.24	\$ 225,150.08
919/2251 Bonding Tax	\$ 1,320,254.03	\$ 1,318,006.34	\$ 1,320,254.03
919/2252 Royalties	\$ 1,261,618.54	\$ 1,241,139.34	\$ 1,261,618.54
919/2253 Fishing Permit	\$ 15,240.00	\$ 13,320.00	\$ 15,240.00



REVENUE ITEM HEAD/ITEM CLASSIFICATION	ACTUAL REVENUE CUSTOMS JULY 2012 / 2013	ACTUAL REVENUE CUSTOMS JULY 2011 / 2012	ACTUAL REVENUE FROM THE GL SYSTEM JULY 2012 / 2013
919/2254 Cruising Permit	\$ 99,080.00	\$ 110,100.00	\$ 99,080.00
919/2255 Customs Boarding Fees	\$ 29,850.00	-	\$ 29,850.00
919/2260 Transportation Fees	-	-	-
919/2270 Boarding Fees	\$ 711,991.51	\$ 782,820.00	\$ 711,991.51
919/2271 Boarding Fees	\$ 2,387,545.00	\$ 2,937,806.00	\$ 2,387,545.00
919/2280 Customs Processing Fees	\$ 59,402.00	-	\$ 59,402.00
919/2290 Environmental Levy	-	-	-
920/1420 Rental of Various Properties	\$ 100,836.04	\$ 100,836.04	\$ 100,836.04
<b>TOTAL</b>	<b>\$ 771,503,399.62</b>	<b>\$ 742,744,344.68</b>	<b>\$ 771,503,399.62</b>

8.04 Actual Revenue Estimates collected for the year 2012/2013 amounted to

Total Actual Revenue Estimates & GL Systems \$ 771,503,399.62

The total Customs Revenue from comparative (I&E) \$ 742,744,344.68

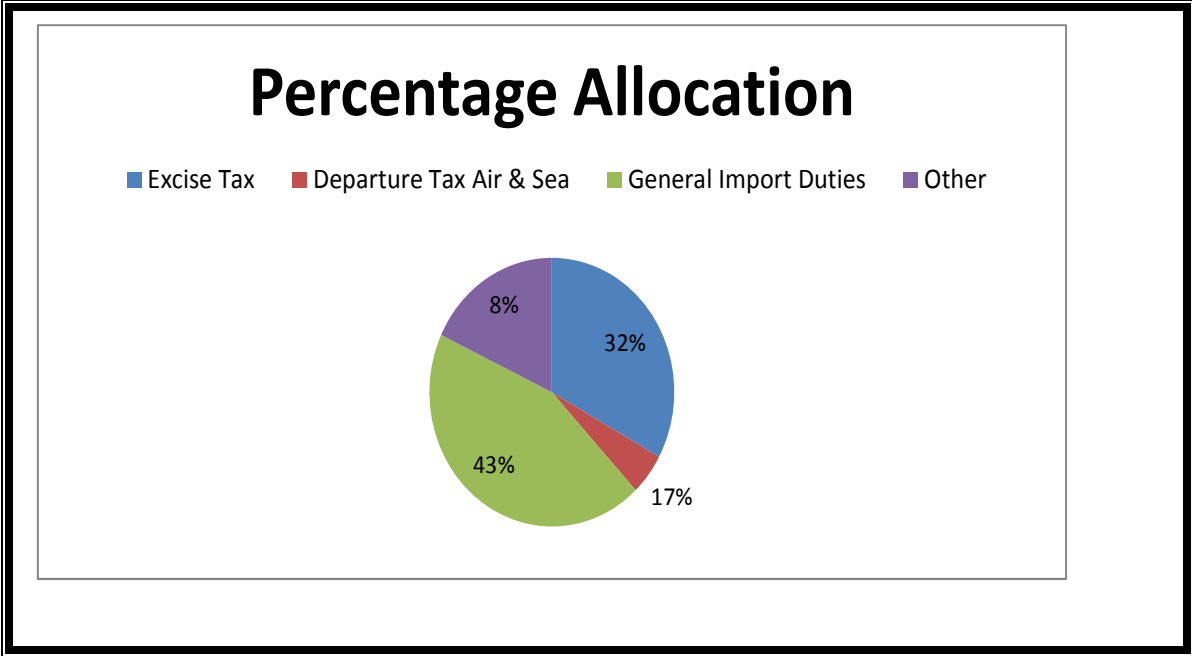
Difference between Actual Rev. of Prov. Estimate & GL System and Actual Revenue Customs Dept. \$ 28,759,054.94

8.05 The Actual Customs Revenue collected during the fiscal year 2012/2013 increased compared to the Actual Recurrent Accounts 2011/2012. For example, Air & Sea Departure Tax and Excise Tax, etc. Conversely, some collections decreased

below Recurrent Account figures, for example, Passenger Ticket Tax (906/2100).

8.06 The percentage allocation of actual revenue for July 2012 – June 2013 is as follows:

Revenue Item	% Allocations
Excise Tax	32%
Departure Tax Air & Sea	17%
General Import Duties	43%
Other	8%
Grand Total	100%



8.07 The breakdown of Revenue collected July 2012 – June 2013 by region is as follows:

Name	Fiscal Year July 1, 2012 - June 30, 2013 \$	Fiscal Year July 1, 2011 - June 30, 2012 \$
New Providence	\$ 636,613,453.28	\$ 612,613,453.29
Grand Bahama Freeport & West End	61,018,137.66	56,638,610.19
Family Islands	77,871,808.68	73,492,281.20
<b>Grand Total</b>	<b>\$ 771,503,399.62</b>	<b>\$742,744,344.68</b>

#### Air Express

8.08 Continuous audits were conducted during the year, informing the Customs Department of the incorrect rate of duty being applied in some instance. Queries were raised relating to the aforementioned periodically.

#### Customs House Entries

8.09 Continuous audits were conducted during the year; the incorrect rate of duty was applied in many instances. Queries were raised for the period relating to the aforementioned.

#### Family Island Accounts

8.10 Continuous audits were carried out on the Customs Section at Abaco, Eleuthera, Exuma and Grand Bahama, by our satellite Offices. Accounts from our ports were audited in Nassau. Additional surprise audits were carried out. During our audits for Family Island Accounts the following were observed:

- A. Incorrect rates of duty were applied
- B. Insufficient warehouse space at some ports of entry

## Incomplete Manifest

8.11 We have conducted examination of incomplete manifest and the following was observed:

- A. A large number of bills of lading were released without evidence to suggest duties were collected.

## Queries

8.12 During the fiscal year 2012/2013, 728 queries totaling \$247,708.71 were raised with the Customs Department. Of this amount, 439 were satisfactorily resolved which resulted in \$148,794.70 being collected.

Port/Station	Queries Raised	Dollar Value \$	Queries Answered	Dollar Value \$
Customs House	457	\$172,969.83	288	\$103,744.31
Gladstone Freight Terminal	175	\$ 63,306.34	90	\$ 36,720.46
Family Island	93	\$ 11,288.71	60	\$ 8,285.70
Air Express	3	\$ 143.83	1	\$ 44.23
	<b>728</b>	<b>\$247,708.71</b>	<b>439</b>	<b>\$148,794.70</b>

# General Post Office Department

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## Chapter 9



## SECTION NINE POST OFFICE DEPARTMENT

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9.01 The Post Office Savings Bank (POSB) is governed by the Savings Bank Act of 1936. The management and control of the bank is the responsibility of the Postmaster General, as mandated by Chapter 302 of the Statute Laws of The Bahamas and its subsidiary legislation, The Savings Bank Rules.

### Financial Statements

9.02 We were not presented with nor were we able to verify any figures pertaining to the Post Office Financial Statements, as mandated in Chapter 302 (Section 12) of the Savings Bank Act. Therefore, as a result of this we were unable to give an opinion on the financial operations of the Savings Bank.

**9.03 It is recommended that the Post Office Department produce Financial Statements annually, so as to be in conformity with Chapter 302, Section 12 of the Post Office Savings Bank Act.**

### Number of Depositors

9.04 During the year the public continued to utilize the services of the Post Office Savings Bank. As a result, the approximate number of depositors/accounts is 26,619. This amount can be further broken down into Active and Inactive Accounts. The amount is as follows:

Active Accounts	-	17,556
Inactive Accounts	-	9,063

9.05 We were informed that the dollar value for both the Active and Inactive Accounts could not be determined by the staff of the Post Office Savings Bank. Further, we were also informed that there are no rules governing when an Active Account becomes Inactive.

**9.06 It is recommended that:**

- (a) The Post Office Savings Bank staff calculate the value of both the Active and Inactive Accounts in order to facilitate the audit process.**
- (b) Specific guidelines are implemented in order to determine when an Active Account with no activity, becomes Inactive; and then becoming dormant. In addition, it should be determined if Funds should be transferred to Central Bank as performed in the Commercial Bank.**

Post Office Savings Bank Weaknesses

**9.07** As a result of the continuous review of the Post Office Savings Bank Accounts, the following weaknesses were discovered.

- 1) There is no computerized system with the relevant software to improve the efficient and effective operations of the POSB.
- 2) Deposits and Withdrawals are still being transacted with the use of Passbooks as the only source of reference with which to rely.
- 3) Numerous accounts were inactive i.e. approximately 52%.
- 4) Lack of periodic checks with regard to the submission of documented and completed accounts from the Family Islands.
- 5) Family Island transactions i.e. Day Sheets are not posted in the Alphabetical Ledgers, therefore it does not show the correct balance of the Clients accounts. As a result, this causes the Ledger to reflect one balance, and the Customers passbook to show another balance.



- 6) Weak internal controls allows a number of fraudulent activities to go undetected for long periods of time within the Post Office Savings Bank.
- 7) Interest on accounts were not calculated annually. No interest was calculated since 2008. Finally, interest is calculated and posted in the Clients books when they are conducting transactions at the Savings Bank Counter, and they request their interest payment.
- 8) The last Financial Statement produced by the Post Office Savings Bank was in 2002.

**9.08 There is an urgent need to update and implement an accounting system which would enhance stronger internal controls. In addition, attention should be given to the weaknesses mentioned above.**



# Pensions

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Chapter 10



## **SECTION TEN**

### **PENSIONS**

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10.01 To ensure that Pension & Gratuity calculations are in accordance with The Pension Act, and in conformity with the Bahamas Government statutes and directives.

10.02 Judgmentally selected a representative sample of pension files for the above mentioned period, which was tested according to procedures in the Audit Program.

#### Official Pension & Gratuity

10.03 During the examination of Official Pension & Gratuity, a representative sample of Official Pension & Gratuity was selected and judgmentally tested. The information and calculation on the Pension & Gratuity certificates were confirmed and verified for accuracy. These amounts were checked to the General Ledger (GL 671), and the Bahaval systems. During this period One Hundred & Thirty (130) persons were deleted from the Official Pension register and Three Hundred and Eleven (311) was added to the Official Pension Register. Approximately \$65,000,000.00 was disbursed for Official Pension.

#### Parliamentary Pension

10.04 We were able to verify and confirm the pensions disbursed for the fiscal year 2012/2013 was approximately \$1,521,633.20. During this period eight (8) Parliamentarians were added to the pay sheet and were three (3) deleted by reason of death.

## War Veterans & Widows Pension

10.05 While examining pensions for the fiscal year ended 30<sup>th</sup> June, 2013, \$11,761.44 was disbursed which was verified to the Pension Register and the United States (U.S) Draft Register. Two (2) pensioners were deleted from the register by reason of death. Presently there are three (3) War Veterans & Widows on the pay-sheet.

## Widows & Orphans Pension

10.06 Pension for the year ended 30<sup>th</sup> June, 2013 was confirmed and verified to the Official Pension Register, and The Widows & Orphans Pension Register. Approximately \$107,894.02 was disbursed for the period. During the period two (2) persons was deleted from the pay sheet by reason of death. Presently there are twenty-nine (29) Widows & Orphans pensioners on the pay-sheet.

# Freeport, Grand Bahama

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Chapter 11





## **SECTION ELEVEN FREEPORT, GRAND BAHAMA**

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### Recurrent Revenue

11.01 We continue to note that we are unable to examine the revenue account for STAMP TAX at the boundary because the Treasury Department does not maintain the necessary boundary documents required to ensure the reasonableness of Stamp Tax collected. Therefore, we are unable to determine that the revenue collected from this tax is accurate.

**11.02 We continue to recommend that the applicable boundary documents are retained by Treasury in support for Stamp Tax collected.**

### Capital Expenditure

11.03 Our examination to ensure accuracy and population completion of Capital Expenditure of \$251,068 could not be agreed to Treasury's Actual Expenditure Detail Reports. As a result of further audit investigation, Treasury produced Journal Account By Inquiry printouts in support of the following payments:

1. Two (2) payments totaling \$51,350 for hurricane cleanup, charged against Disaster Relief Assistance Fund.
2. Three (3) payments totaling \$9,209 for furniture and equipment, charged against Acquisition of Assets.
3. Two (2) payments totaling \$129,411 for major repairs and maintenance to St. Vincent DePaul School, Ministry of Education
4. Nine (9) payments totaling \$59,098 for expansion and refurbishment of schools, Ministry of Education.

5. A payment of \$2,000.00 for clearing of land (Feeder farm roads & land clearing) in East End, Grand Bahama, Department of Agriculture

**11.04 We continue to recommend that all expenditure is captured by the Treasury's electronic accounting system. Hence, posted to the Expenditure Detail Report in a timely manner and thereby resulting in a true picture of annual expenditure.**

## Conclusion

11.05 The results of this examination were not satisfactory.

11.06 We were not able to attain sufficient evidence that the Expenditure accounts were fairly presented. Of particular concern was, audit's inability to access the Treasury's on-line system to confirm the expenditure balance presented at year-end.

11.07 Treasury must place more emphasis on ensuring that expenditures are legitimately based on supporting documents and checks for mathematical accuracy.

11.08 Accurate expenditure classification is critical to ensure compliance with mandated annual Budget guidelines.

11.09 The awarding of contracts, particularly, contracts that are less than \$50,000 must be administered in an objective manner; whereby related parties do not appear to benefit unfairly.

11.10 Implementation of the recommendations made in this report would result in a more favorable outcome during the next audit examination.

# Family Islands

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## Chapter 12



## SECTION TWELVE FAMILY ISLAND SECTION

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### Exuma District

#### Central Government Recurrent Account

- 12.01 It was noted that some payment vouchers did not have supporting documents, i.e. bills/receipts, to substantiate payment. The non-attachment of bills/receipts to payment vouchers is a deviation from established accounting procedures.
- 12.02 **We recommended that due care and attention be exercised during the preparation of payment vouchers to ensure that adequate information and supporting documents are provided to facilitate the audit trail.**
- 12.03 During our examination of payment vouchers, with respect for fuel from the company Lambs Enterprises and Island Services Station, we noted that payment vouchers were voided of details indicating the breakdown of lump sum paid. We further observed that payment documents reflected insufficient information in the Description of Goods/Service column.
- 12.04 **We recommended that due care and attention be exercised during the preparation of payment vouchers to ensure that adequate supporting documents are provided to show the amount or gallons for each vehicle and the date. Additionally, the license number of the vehicle should be included on the documents.**
- 12.05 When scrutinizing Payment Voucher No. 73 Head 31, Block 10, Line/item 101100 dated May 13, 2013, we noted an amount of \$389.98 being payment for two (2) round trip tickets for a Senior Civil Servant and his wife to attend the doctor in Nassau. At the time of the review we were not certain whether expenses of this nature were permissible.

**12.06 We recommended that an explanation be given to explain why public funds were expended to finance travel for personal health reasons or the authority be provided for audit review.**

#### North Eleuthera District

##### Upper Bogue, Eleuthera

12.07 During our examination, we observed that the Administrator's office at Upper Bogue, Eleuthera experienced a series of fires beginning on July 2<sup>nd</sup> 2013 that completely destroyed the building which housed the offices of the Local Government and the Postal Section. We were informed that the Administrator's safe was taken to the Police Station at Governor's Harbour and was opened without the auditors being present. We also noted that a fire occurred on April 22<sup>nd</sup> 2014 that completely destroyed the registers and counterfoils along with other credentials belonging to the Parliamentary Registration Department. Another fire took place on July 28 2014 destroying various accounting documents, namely the cashbooks and the vote charge books.

**12.08 We recommended that the Financial Regulations (Chapter 359) Section 21 Subsection 6 which states that "An accounting officer shall be personally liable for all public moneys and public stores placed under his control," be adhered to. In addition, the Ministry of Agriculture, Marine Resources and Local Government should ensure that a police report is obtained and the results submitted to the Office of the Auditor General (OAG) for review.**

12.09 During our scrutiny of Local Government accounting records for the period under review we were not provided with all documents. Those that were examined included the months of February 2013, April 2013, and June 2013. We were informed by the Administrator that the missing documents were destroyed during the fires.

- 12.10 We recommended that the OAG be provided with the official report by the Administrator on the several fires which occurred in the year 2013/2014. Also, the Administrator files should be kept in a fire proof cabinet for safe keeping.**
- 12.11 During our scrutiny of Local Government payment vouchers, it was noted that some payment vouchers did not have supporting documents i.e. bills/receipts, to substantiate payments made.
- 12.12 We noted a payment dated February 19, 2013 in the amount of \$10,697.24. This payment was for Local Government contractual workers, which included garbage collection for the Northern main land area, namely from the bridge to Gene Bay and including Black Wood for the month of April 2013. We observed that the payment voucher was void of cheque number and voucher number.
- 12.13 We recommended that each voucher bear the cheque numbers and voucher numbers to enable transactions to be charged to the proper account.**
- 12.14 We noted that payment batch vouchers were provided for review for the months of February, April and June 2013. However, we observed that in some cases batches were void of documents.
- 12.15 We recommended that the Administrator provide further explanation for the missing documents.**
- 12.16 During our scrutiny of the Local Government bank statement for the period under review, it was noted that a number of cheques were made payable to a clerk in the Local Government office in the amount of \$3,700.00. We could not determine the reason for the payments.
- 12.17 We recommended that management supply the OAG with the reasons of these payments.**

12.18 We noted that bank reconciliations were not completed for the Local Government account for the fiscal year July 2012 through June 2013.

**12.19 We recommended that bank reconciliation statements be brought up-to-date and maintained on a regular basis.**

12.20 In our opinion, the accounts of the Local Government Upper Bogue, North Eleuthera District were not maintained at a satisfactory standard in all respects specifically the non-preparation of bank reconciliation statements for this account. Internal controls need to be strengthened to ensure efficiency and effectiveness of the financial operations. Therefore, we could not give assurance to the correctness and completeness of the accounts.



# Treasury Final Accounts

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## Chapter 13



## SECTION THIRTEEN TREASURY FINAL ACCOUNTS

### Bank Reconciliation

#### Un-reconciled Inactive & Dormant Bank

13.01 There are eighteen (18) inactive general ledger bank accounts that remain on Treasury's books. The Treasury reported that these accounts can be attributed to incorrect postings and non-cash entries being recorded in Treasury's cashbook and that these records cannot be corrected due to the deficiencies of the previous manual operated system and the lack of supporting documents. There are no monies in the commercial banks to these accounts.

13.02 Management reportedly, requested for these accounts to be written-off since 2000 with numerous follow-ups to Ministry of Finance. To date, no formal action has been taken. It is hoped that subsequent to the passing of the amendments to the Financial Administration and Audit Act 2010, a decision will be forthcoming.

<b>CASH BOOK BALANCES TO BE WRITTEN OFF</b>			
<b>Bank Account Numbers</b>	<b>Account Description</b>	<b>Book Account Numbers</b>	<b>Cash Book Balance \$</b>
232.790.6	B\$ Consolidated	103.1001	\$5,969,475.91
433.109.6	US\$ Consolidated	103.1002	-3,376,956.25
232.795.5	B\$ Expenditure	103.1003	-24,753,774.49
433.117.9	US\$ Expenditure	103.1004	-2,068,490.89
232.800.3	B\$ Capital Expenditure	103.1006	11,252,011.12
110.199.7	B\$ Consolidated	103.1104	2,309,122.89
402.436.0	US\$ Consolidated	103.1015	1,364,232.60
110.201.1	B\$ Expenditure	103.1016	5,557,636.10
402.438.6	US\$ Expenditure	103.1017	2,689,361.72
110.202.9	B\$ Capital Expenditure	103.1018	2,797,007.52
110.204.5	B\$ Expenditure	103.1019	2,162,583.27
232.790.6	B\$ Deposit Fund	103.2001	6,496,970.22
433.113.8	US\$ Deposit Fund	103.2002	936,481.94

CASH BOOK BALANCES TO BE WRITTEN OFF			
Bank Account Numbers	Account Description	Book Account Numbers	Cash Book Balance \$
232.791.4	B\$ Deposit Fund	103.2011	-30,044,699.73
110.200.3	B\$ Deposit Fund (INC)	103.2014	9,160,568.31
402.437.8	US\$ Deposit Fund (INC)	103.2015	168,594.02
110.203.7	B\$ Deposit Fund Expenditure	103.2016	5,530,362.83
			<b>(\$3,849,512.91)</b>

**13.03 The Office of the Auditor General (OAG) is of the opinion that the issue has been outstanding for too long and had expected that this would have been resolved during this financial period.**

13.04 Treasurer reported that these account balances have been written off in accordance with Section 25 of the Financial Administration and Audit Act 2010 and the Dormant and Inactive Accounts Regulations 2013.

13.05 However, OAG noted that in accordance with the FAA 2010, the Minister of Finance needs to perform certain acts before removal from General Ledger of dormant bank accounts and write off can take place.

13.06 Therefore, OAG requested that the Treasurer provide documented information from the Minister of Finance approving the write offs.

Treasurer's Response:

13.07 In 2013 the FAA Act 2010 the following sections were amended:

- i) an amendment to Section 8,
- ii) insertion of new Part IIA – Public Procurement
- iii) an amendment to Section 25 by inserting new sub-section (2) which relates to regulation for the removal of dormant book accounts,

- iv) *repeal of Section 26,*
- v) *amendment to Section 32.*

*13.08 Regulation relative to item (iii) amendment was also prepared and should have been tabled.*

*13.09 In checking with the House of Assembly, we were advised that no regulation was tabled, therefore, such regulation will now have to be tabled by the Minister to remedy this oversight.*

### Dishonored Cheques

13.10 We continue to have concerns with Dishonoured Cheques which has decreased from \$20,000,000.00 to approximately \$18,000,000.00.

13.11 There should be continuous monitoring of Dishonoured Cheques. The Statements are being produced on a modified cash basis, therefore, a provision for doubtful accounts should be established.

**13.12 Under International Public Sector Accounting Standard (IPSAS) Dishonoured Cheques should be recorded as Accounts Receivable.**

### Treasurer's Response:

13.13 *The enforcement of controls and directives are the responsibility of the Principal Accounting Officer (i.e. P.S. or HoD) of the respective Ministry or Department. The Treasury continuously sends out circulars regarding the acceptance of certified cheques but such directives are overridden by the Principal Accounting Officers or their designate.*

13.14 *Some impaired amounts are being written off in this fiscal year. The respective agencies have been requested to verify their balances so that we can request a further write-off of uncollectible amounts.*

13.15 *Due to the deficiencies of this homegrown system, the data from this subsidiary file will be moved to the Accounts Receivable Module of the Financial Management System which has these features.*

#### Family Island Suspense Accounts

13.16 Family Island Suspense Accounts are not being reconciled in a timely manner.

**13.17 We recommended that these accounts be reconciled in a timely manner so that the Financial Position is not materially misstated.**

**13.18 We also recommended that a proper Accounting System be implemented in the Family Island which can be integrated with the accounting system in New Providence. This would greatly enhance the accounting for Family Island Transactions.**

# Audit Certificate

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**AUDIT CERTIFICATE  
THE FINAL ACCOUNTS OF  
THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
FOR THE YEAR ENDED JUNE 30, 2013**

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In compliance with Section 43 of the Financial Administration and Audit Act, 2010, I have examined the several statements and accounts of the Government of the Commonwealth of The Bahamas as specified under Section 32(3) of the Act. The Financial Statements are the responsibility of the Treasurer. My responsibility is to examine and certify the Statements, based on the outcome of my examinations, as required by the Act.

These Financial Statements have been examined in accordance with The Financial Administration and Audit Act, 2010, The Financial Regulations 1975, The International Organization of Supreme Audit Institutions (INTOSAI) Auditing Standards and other auditing procedures as were considered necessary in the circumstances.

As a result of my examination, I now report that due to the continued inclusion of un-reconciled inactive bank accounts, large Suspense account balances and weaknesses in system of Internal Controls related to revenue and expenditure, I cannot attest to the completeness and fairness of Cash and Bank Balances.

Because of the fundamental importance, and the material effect of these accounts as described in the preceding paragraph, on the statements of account, I am unable to certify that the Final Accounts of the Government of the Commonwealth of The Bahamas present a true and fair view of the state of affairs for the year ended June 30, 2013.

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Terrance S. Bastian (Mr.)  
Auditor General

Nassau, Bahamas  
November 21, 2014



# Annex

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# REPORT OF THE AUDITOR GENERAL

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# Annex 1

## Balance Sheet – Consolidated Fund

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THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

**BALANCE SHEET  
AS AT 30-JUNE-2013  
(CONSOLIDATED FUND)**

	Notes	As at 30-Jun-2013 B\$	As at 30-Jun-2012 B\$
<b>FINANCIAL ASSETS</b>			
Cash and Bank Balances	(11)	88,958,957	56,855,899
Fixed Deposits	(16b-d)	31,976,227	30,845,706
Dishonoured Cheques	(17)	18,436,736	19,685,904
Investments			567,759
Advances	(13)	12,956,960	19,392,436
<b>TOTAL FINANCIAL ASSETS</b>		<b>152,328,880</b>	<b>127,347,504</b>
<b>FINANCIAL LIABILITIES</b>			
<b>CURRENT LIABILITIES</b>			
Bank Overdraft	(11)	193,816,483	288,765,941
Treasury Bills	(8)	588,281,900	344,217,900
Short Term Advances	(9)	105,657,052	137,686,608
Short Term Commercial Paper	(10)	20,000,000	0
Salary Deductions Payable	(12)	22,890,577	21,742,018
Other Short Term Depository Liabilities	(13)	178,799,852	241,392,382
<b>TOTAL CURRENT LIABILITIES</b>		<b>1,109,445,664</b>	<b>1,033,804,849</b>
<b>NET LIABILITIES</b>		<b>957,116,784</b>	<b>906,457,346</b>
Supported by			
<b>FUND BALANCES</b>			
Consolidated Fund Current Account		(874,835,560)	(824,079,085)
Consolidated Fund Capital Development Account		(82,281,223)	(82,378,261)
<b>TOTAL FUND BALANCES</b>		<b>(957,116,783)</b>	<b>(906,457,346)</b>



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## **Annex 2**

# **Statement of Revenue and Expenditure**

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THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

STATEMENT OF REVENUE AND EXPENDITURE FOR YEAR ENDED 30-JUNE-2013  
(CONSOLIDATED FUND)

	Notes	Budget Financial Year Ended 30-Jun-2013 B\$	Actuals Financial Year Ended 30-Jun-2013 B\$	Actuals Financial Year Ended 30-Jun-2012 B\$
<b>REVENUE</b>				
<b>Recurrent Revenue</b>				
Tax Revenue	(4)	1,318,489,710	1,146,280,131	1,203,987,088
Non-Tax Revenue	(4)	232,179,920	236,725,386	228,147,675
<b>SUB-TOTAL</b>	(4)	<b>1,550,669,630</b>	<b>1,383,005,517</b>	<b>1,432,134,760</b>
Refund of Revenue			(10,725,120)	(18,267,325)
<b>Total Recurrent Revenue Collected</b>		<b>1,550,669,630</b>	<b>1,372,280,397</b>	<b>1,415,867,435</b>
<b>Other Revenue Receipts</b>				
Sale of Capital Assets	(6)	-	6,200	1,650,520
Grants and Aids	(6)	3,300,000	116,071	152,492
Sale of Building ( Cecil Wallace- Whitfield)	(6)	-	-	17,686,000
Proceeds from Notes Receivable (NAD)	(8)	-	-	87,992,868
<b>Total other Revenue Receipts</b>	(6)	<b>3,300,000</b>	<b>122,271</b>	<b>87,481,880</b>
<b>TOTAL REVENUE RECEIVED</b>		<b>1,553,969,630</b>	<b>1,372,402,668</b>	<b>1,503,349,315</b>
<b>OPERATING EXPENDITURE</b>				
<b>Recurrent Expenditure</b>				
Personal Emoluments	(5)	640,757,078	600,306,311	613,617,704
Other Recurrent Charges	(5)	850,703,067	765,366,785	785,142,777
<b>Other Cost Items</b>				
Financing Cost- Interest Payments	(5)	206,832,623	205,146,507	191,359,892
Principal Debt Repayment (Long Term Debt)	(5 & 14)	120,725,885	120,575,293	62,691,361
		327,558,508	325,721,800	254,051,253
<b>Total Recurrent Expenditure</b>	(5)	<b>1,819,018,653</b>	<b>1,691,394,896</b>	<b>1,632,811,734</b>
<b>Capital Expenditure</b>				
Capital Development Expenditure	(7)	305,804,497	224,842,578	196,755,445
Other Capital Expenditure	(7)	26,222,264	20,104,003	46,394,500
Capital Grants, Contributions and Subsidies to Government Corporations	(7)	64,750,000	107,665,657	152,469,501
<b>Total Capital Expenditure</b>	(7)	<b>396,576,761</b>	<b>352,612,238</b>	<b>395,619,446</b>
<b>Total Operating Expenditure</b>		<b>2,215,595,414</b>	<b>2,044,007,134</b>	<b>2,028,431,180</b>
<b>Surplus/(Deficit) for the period</b>		<b>(661,625,784)</b>	<b>(671,604,466)</b>	<b>(525,081,865)</b>
Deficit Financing	(6, 8, 9 & 10)	660,205,424	620,945,028	255,742,516
<b>Net Surplus/ (Deficit) for the period</b>	(11)	<b>(1,420,360)</b>	<b>(50,659,438)</b>	<b>(269,339,349)</b>



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## Annex 3

### Statement of Cash Flow

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THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

STATEMENT OF CASH FLOWS FOR YEAR ENDED 30 JUNE 2013  
(CONSOLIDATED FUND)

	Notes	Financial Year Ended 30-Jun-2013 B\$	Financial Year Ended 30-Jun-2012 B\$
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Recurrent Revenue	(4)	1,383,005,517	1,432,134,760
Less: Refund of Revenue		(10,725,120)	(16,267,325)
Dishonoured Cheques		(18,436,736)	(19,685,904)
Recurrent Expenditure (less Debt repayment)	(5)	(1,570,819,603)	(1,570,120,372)
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>		<b>(216,975,942)</b>	<b>(173,938,841)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Proceeds from capital revenue/grants	(8)	122,271	87,481,880
Capital acquisitions	(7)	(244,946,581)	(243,149,945)
Other capital outlays	(7)	(107,665,657)	(152,469,501)
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>		<b>(352,489,967)</b>	<b>(308,137,567)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Increase (Decrease) in Treasury Bills	(8)	244,064,000	90,608,900
Increase (Decrease) in Central Bank Advances	(9)	(32,029,556)	63,699,000
Increase (Decrease) in CitiBank	(10)	20,000,000	0
Increase (Decrease) in Other Advances and Deposits	(10)	(55,008,696)	18,717,641
Proceeds from Bonds/Stocks	(6)	375,000,000	170,635,900
Proceeds from US \$ Loan	(6)	180,000,000	0
Proceeds from Loans	(6)	65,945,028	85,108,616
Proceeds from Sale of Shares	(8)	0	0
Principal Payments on Public Debt	(5)	(120,575,293)	(62,891,361)
<b>NET CASH FLOWS FROM FINANCING ACTIVITIES</b>		<b>677,395,484</b>	<b>366,076,696</b>
<b>NET INCREASE (DECREASE) IN CASH</b>		<b>107,929,574</b>	<b>(115,999,712)</b>
<b>CASH AND CASH EQUIVALENT</b>			
Cash and Cash equivalent at beginning of year		(180,810,874)	(84,497,066)
<b>Cash and Cash equivalent at end of year</b>		<b>(72,881,300)</b>	<b>(200,496,778)</b>

	Financial Year Ended 30-Jun-2013	Financial Year Ended 30-Jun-2012	Change
Cash and Domestic Bank Accounts	24,486,713	16,871,070	7,615,643
Foreign Banks denominated in B\$	16,477,937	9,902,928	6,575,009
Fixed Deposits	31,976,226	30,845,706	1,130,520
Investment (Crown Agents Post Office Fixed Deposit)	0	567,759	(567,759)
<b>Sub-Total</b>	<b>72,940,876</b>	<b>58,187,462</b>	<b>14,753,414</b>
Less: Bank Overdrafts	(145,822,176)	(258,684,240)	112,862,064
<b>Net Cash &amp; Cash Equivalent</b>	<b>(72,881,300)</b>	<b>(200,496,778)</b>	<b>127,615,479</b>



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## Annex 4

### Statement of Consolidated Fund – (Current Account)

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THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

**STATEMENT OF CHANGES IN CONSOLIDATED FUND BALANCES FOR YEAR  
ENDED 30- JUNE-2013  
(CURRENT ACCOUNT)**

	Notes	Financial Year Ended 30-Jun-2013 B\$	Financial Year Ended 30-Jun-2012 B\$
<b>Balance as at 1st July, 2012</b>		(824,079,085)	(775,377,752)
Recurrent Revenue	(4)	1,383,005,517	1,432,134,760
Less: Refund of Revenue		10,725,120	16,267,325
Net Recurrent Revenue		<u>1,372,280,397</u>	<u>1,415,867,435</u>
<b>Other Revenues &amp; Transfers</b>			
Transfers from Capital Account	(15)	268,358,023	168,242,966
<b>Total Revenues</b>		<u>1,640,638,420</u>	<u>1,584,110,401</u>
<b>Sub-Total</b>		816,559,335	808,732,649
Recurrent Expenditure	(5)	1,691,394,895	1,632,811,734
<b>Balance as at 30 June 2013</b>		<u>(874,835,560)</u>	<u>(824,079,085)</u>



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## Annex 5

### Statement of Consolidated Fund – (Capital Account)

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THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

**STATEMENT OF CHANGES IN CONSOLIDATED FUND BALANCES FOR YEAR  
ENDED 30 JUNE 2013  
(CAPITAL ACCOUNT)**

	Notes	Financial Year Ended 30-Jun-2013	Financial Year Ended 30-Jun-2012
		B\$	BS
<b>Balance as at 1st July, 2012</b>		(82,378,261)	138,259,756
<b>Capital Revenues</b>			
Proceeds from Stocks/Bonds	(5)	375,000,000	170,835,900
Proceeds from US\$ Loan	(5)	180,000,000	-
Proceeds from Other Loans	(5)	65,945,028	85,108,616
Proceeds From Grants	(5)	116,071	152,492
Sale of Building	(5)	-	17,886,000
Proceeds from Note Reveivable (NAD)	(5)	-	67,992,868
Other Capital Income	(5)	6,200	1,650,520
<b>Total Capital Revenue</b>		<b>621,067,299</b>	<b>343,224,396</b>
<b>Sub-Total</b>		<b>538,689,038</b>	<b>481,484,152</b>
<b>Capital Development Expenditure</b>			
Capital Expenditure	(6)	244,946,581	243,149,945
Loans, Contributions and Advances to Government Corporations	(6)	107,665,657	152,469,501
<b>Total Capital Expenditure</b>	(8)	<b>352,612,238</b>	<b>395,619,447</b>
<b>Other Expenditure and Transfers</b>			
Transfer to Current Account	(15)	268,358,023	168,242,966
<b>Total Capital Development Expenditure and Transfers</b>		<b>620,970,261</b>	<b>563,862,413</b>
<b>Balance as at 30 June 2013</b>		<b>(82,281,223)</b>	<b>(82,378,261)</b>



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## Annex 6

# Notes of The Financial Statements

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**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2013**

**1. Reporting Entity**

The Financial Statements for the Commonwealth of the Bahamas are presented to Parliament annually and contain the following, the Statement of Financial Assets and Liabilities (Balance Sheet), the Statement of Revenue and Expenditure and the Statement of Cash Flows, along with other detail statements required by the Financial Administration and Audit Act (FAA Act 2010).

The main statements consist of the Statement of Financial Assets and Liabilities (Balance Sheet), the Statement of Revenue and Expenditure, the Statement of Cash Flow and the Statements of Changes in Fund Balances (Current and Capital Development Accounts). The statement of accounts has been replaced by the Statement of Revenue and Expenditure (recurrent & capital) since 2011. The Statement of Financial Assets and Liabilities (Balance Sheet) are inclusive of cash and cash equivalents including dishonoured cheques. The other required under the FAA Act 2010 are supplementary and are shown in the notes.

The Financial Statements are prepared by the Public Treasury Department of the Commonwealth of the Bahamas and are governed by the Constitution, the FAA Act 2010 and the Financial Regulations 1975. It is a requirement under the Act to report against budget.

**2. Summary of Significant Accounting Policies**

All Revenues, Recurrent and Capital Expenditure flow through the Consolidated Fund of Government of the Commonwealth of the Bahamas.

The FAA Act 2010, requires that monies paid pending repayment or application to the purposes for which they were deposited be kept in an account styled "Deposits Fund Account".

Any net cash requirement of the Consolidated Fund is provided through the Government's traditional sources of financing, and borrowings in the financial markets.

Any grants from external sources are recorded under the appropriate category for which they were received.

**Basis of preparation**

The preparation of the financial statements is governed by the FAA Act 2010, using a form of modified cash basis and guided by International Public Sector Accounting Standards (IPSAS) cash basis. We however do not prepare consolidated statements and hence do not report on quasi-government entities. All quasi-government entities report individually to Parliament.

The modified cash basis applied recognizes revenue when received and not when earned, expenditure in the period it is incurred and paid and purchase of fixed assets including immovable property, plant and equipment is expensed fully in the year of purchase. In complying with the FAA Act 2010 the fixed assets acquired in the current year are included in the notes.

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2013**

The financial assets of the Government are reported in the Statement of Financial Assets and Liabilities. The act also requires a Statement of Cash Flows and a Statement of Revenue and Expenditure along with the Statement of Financial Assets and Liabilities which form the primary statements. The other statements required by the act are supplementary and shown in the notes.

**Reporting currency**

These statements are prepared in Bahamian dollars (B\$).

**Foreign currency**

Foreign currency transactions during the year are translated into local currency at the exchange rate at the date of the transaction.

**Comparatives**

To ensure consistency with current period and classification method adopted to make a fair presentation of financial information, comparative figures have been restated where appropriate.

**Revenue**

Revenue is levied through Parliament by way of imposing taxes, fees and charges. All such revenue collected through the relevant Ministries and Departments is recognized at the time of collection.

Revenue due but not collected are maintained in subsidiary records but they are not included in the financial statements until collected.

**Expenses**

Expenses are accounted for in the fiscal year that goods and services are paid.

**Assets**

All assets are expensed in the year they are purchased. However there is a separate capital statement that reports on all capital purchases during the year. A number of Agencies maintain an asset register either electronically or manually. Included in the notes is a list of fixed assets acquired during the period July 1, 2011 to June 30, 2013 as required by the FAA Act 2010.

**Liabilities**

Liabilities incurred at the end of the year are not accrued and not accounted for in the balance sheet, however in the subsequent year/s when it is paid.

Loans are not reported in the balance sheet however they are recorded and reported in the statement of Public Debt.

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2013**

**3. Budgetary Process**

The Budget, as approved by the parliament and enacted by the Appropriation Acts provides the authority for recurrent and capital expenditure and indicated revenues for the fiscal year.

The authority for recurrent and capital expenditure lapses at the end of the fiscal year.

Further authority for recurrent and capital expenditure is provided by supplementary budgets, which are approved by Parliament.

**4. Recurrent Revenue**

These comprise of recurrent revenue by revenue category during this fiscal period.

**Summary of Recurrent Revenue**

HEAD	DESCRIPTION	ESTIMATED REVENUE 2012/2013	ACTUAL REVENUE 2012/2013	UNDER/(OVER) THE ESTIMATES
901	IMPORT AND EXPORT DUTIES	404,975,000	346,420,511	58,554,489
902	EXCISE TAX	358,100,000	246,180,873	111,919,127
903	PROPERTY TAX	116,715,535	115,221,337	1,494,198
904	MOTOR VEHICLE TAX	41,549,380	37,681,683	3,867,677
905	GAMING TAX	12,500,000	9,758,302	2,743,698
906	TOURISM TAX	159,593,500	185,919,390	(26,325,890)
907	STAMP TAX	194,398,435	177,851,397	16,547,038
908	COMPANY FEES	24,347,030	21,711,038	2,635,993
909	BANK AND TRUST COMPANY FEES	6,310,850	5,537,600	773,250
911	OTHER TAXES	616,350	532,045	84,305
	<b>TAX REVENUE SUB-TOTAL</b>	<b>1,319,106,060</b>	<b>1,146,812,176</b>	<b>172,293,884</b>
919	FEES AND SERVICE CHARGES REVENUE FROM GOVERNMENT PROPER	196,231,215.00	186,750,945.05	9,480,270
920		18,332,920.00	19,186,268.55	(853,349)
921	INTEREST AND DIVIDENDS REIMBURSEMENT AND LOAN REPAYMENT	9,676,325.00	14,790,067.01	(5,113,742)
922		50,000.00	78,448.45	(28,448)
923	SERVICE OF A COMMERCIAL NATURE	7,264,110.00	15,387,612.21	(8,123,502)
	<b>NON-TAX REVENUE SUB-TOTAL</b>	<b>231,554,570</b>	<b>236,193,341</b>	<b>(4,638,771)</b>
	<b>TOTAL REVENUE</b>	<b>1,550,660,630</b>	<b>1,383,005,517</b>	<b>167,655,113</b>

Details regarding the recurrent revenue are contained in Annex 1 pages 2-27.

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.**  
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**5. Recurrent Expenditure**

These comprise of recurrent expenditure by Ministries and Departments during this fiscal period.

**Summary of Recurrent Expenditure**

HEAD	MINISTRY/DEPARTMENT	APPROVED	ACTUAL	UNDER/(OVER)	SUPP.
		ESTIMATES	EXPENDITURE	THE ESTIMATE	APPROP.
		2012/2013	2012/2013		AUTHORIZED
1	THE GOVERNOR GENERAL & STAFF	1,388,070	1,169,038	219,032	0
2	THE SENATE	257,015	229,138	27,877	0
3	THE HOUSE OF ASSEMBLY	2,351,939	2,173,761	178,178	0
4	THE DEPARTMENT OF THE AUDITOR-GENERAL	2,015,628	1,811,296	204,332	0
5	DEPARTMENT OF PUBLIC SERVICE	186,835,734	164,887,978	21,947,756	0
6	CABINET OFFICE	6,446,477	6,970,397	(523,920)	1,513,601
7	OFFICE OF THE ATTORNEY-GENERAL AND MINIS	12,187,638	11,029,570	1,158,068	0
8	JUDICIAL DEPARTMENT	10,848,283	8,298,369	2,349,914	0
9	COURT OF APPEAL	2,526,130	1,769,980	756,150	0
10	REGISTRAR-GENERAL'S DEPARTMENT	3,948,245	3,658,332	289,913	0
11	PRISON DEPARTMENT	23,036,978	22,269,326	767,652	0
12	PARLIAMENTARY REGISTRATION DEPARTMENT	2,555,839	2,595,081	(39,242)	1,393,100
13	MINISTRY OF FOREIGN AFFAIRS & IMMIGRATIO	25,408,122	20,899,569	4,508,553	0
14	OFFICE OF THE PRIME MINISTER	4,797,104	3,725,085	1,072,019	0
16	BAHAMAS INFORMATION SERVICES	2,516,544	2,439,714	76,830	0
17	GOVERNMENT PRINTING DEPARTMENT	2,271,238	1,857,979	413,259	0
18	DEPARTMENT OF LOCAL GOVERNMENT	26,380,390	23,098,804	3,281,586	0
19	DEPARTMENT OF PHYSICAL PLANNING	1,236,615	666,632	569,983	0
20	DEPARTMENT OF LANDS AND SURVEYS	3,056,939	2,137,797	919,142	0
21	MINISTRY OF FINANCE	51,976,015	40,242,184	11,733,831	0
22	TREASURY DEPARTMENT	14,104,985	11,550,229	2,554,756	0
23	CUSTOMS DEPARTMENT	28,445,257	28,168,755	276,502	0
24	DEPARTMENT OF STATISTICS	4,594,980	4,085,373	509,607	0
25	MAGISTRATE'S COURTS	6,829,608	5,039,448	1,790,160	0
26	PUBLIC DEBT SERVICING - INTEREST	206,832,623	205,146,507	1,686,116	0
27	PUBLIC DEBT SERVICING - REDEMPTION	120,725,885	120,575,293	150,592	0
29	MINISTRY OF NATIONAL SECURITY	3,658,755	4,606,640	(947,885)	1,590,000
30	DEPARTMENT OF IMMIGRATION	18,889,973	15,819,613	3,070,360	0
31	ROYAL BAHAMAS POLICE FORCE	132,323,679	131,227,716	1,095,963	1,844,850
32	ROYAL BAHAMAS DEFENCE FORCE	54,646,964	51,614,632	3,032,352	0



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**SUMMARY OF RECURRENT EXPENDITURE (CONT'D)**

HEAD	MINISTRY/DEPARTMENT	APPROVED	ACTUAL	UNDER(OVER)	SUPP.
		ESTIMATES	EXPENDITURE	THE ESTIMATE	APPROP.
		2012/2013	2012/2013		AUTHORIZED
33	MINISTRY OF PUBLIC WORKS & TRANSPORT	25,731,614	25,050,274	681,340	0
34	DEPARTMENT OF PUBLIC WORKS	18,659,191	17,584,837	1,074,354	0
35	DEPARTMENT OF EDUCATION	201,770,380	191,130,295	10,640,085	0
36	BAHAMAS TECHNICAL & VOCATIONAL INSTITUTE	5,641,622	5,354,202	287,420	0
37	DEPARTMENT OF ARCHIVES	2,052,668	1,667,867	384,801	0
38	MINISTRY OF EDUCATION	49,096,917	44,253,824	4,843,093	0
39	COLLEGE OF THE BAHAMAS	24,994,543	25,899,053	(904,510)	904,510
40	MINISTRY OF TRANSPORT & AVIATION	10,248,909	9,749,150	499,759	0
41	THE SIMPSON PENN CENTRE FOR BOYS	1,274,388	991,151	283,237	0
42	THE WILLAMAE PRATT CENTRE FOR GIRLS	992,835	784,522	208,313	0
43	MINISTRY OF SOCIAL SERVICES	3,153,482	2,864,474	489,008	0
44	DEPARTMENT OF SOCIAL SERVICES	39,958,298	42,658,206	(2,699,908)	5,340,813
45	DEPARTMENT OF HOUSING	1,954,576	1,446,830	507,746	0
47	MINISTRY OF YOUTH, SPORTS & CULTURE	16,517,038	15,740,161	776,877	1,145,000
48	DEPARTMENT OF LABOUR	2,527,950	2,408,545	119,305	0
49	DEPARTMENT OF LABOUR	4,419,010	1,831,317	2,587,693	0
51	POST OFFICE DEPARTMENT	9,269,044	8,568,160	700,884	0
52	Department Of Civil Aviation	16,664,237	14,503,662	2,160,575	0
53	PORT DEPARTMENT	6,069,017	5,414,207	654,810	0
54	DEPARTMENT OF ROAD TRAFFIC	5,549,002	5,309,119	239,883	0
55	Department Of Meteorology	2,858,924	2,224,613	634,311	0
56	MINISTRY OF AGRICULTURE & MARINE RESOURC	5,548,054	4,906,042	1,642,012	0
57	Department Of Agriculture	7,640,612	6,654,460	986,152	0
58	DEPARTMENT OF MARINE RESOURCES	2,811,710	1,954,267	857,443	0
60	MINISTRY OF HEALTH	13,421,532	9,879,117	3,542,415	0
63	THE PUBLIC HOSPITALS AUTHORITY	199,093,306	186,417,380	12,675,926	12,215,271
65	DEPARTMENT ENVIRONMENTAL HEALTH SERVICES	33,993,243	34,414,138	(420,895)	2,354,462
66	DEPARTMENT OF PUBLIC HEALTH	34,915,011	31,601,292	3,313,719	0
67	MINISTRY OF TOURISM	85,884,643	70,735,773	15,148,870	0
68	THE GAMING BOARD	5,799,550	5,798,550	3,000	0
69	AIRPORT AUTHORITY	888,670	500,000	388,670	500,000
70	MINISTRY OF LABOUR & NATIONAL INSURANCE	3,545,900	2,611,890	934,010	0
72	MINISTRY OF THE ENVIRONMENT & HOUSING	4,366,352	2,430,102	1,936,250	0
73	DEPARTMENT OF INFORMATION TECHNOLOGY	6,886,980	5,824,244	1,062,736	0
74	MINISTRY FOR GRAND BAHAMA	3,196,413	2,670,833	525,580	0
	<b>TOTAL RECURRENT EXPENDITURE.....</b>	<b>1,821,289,293</b>	<b>1,691,394,895</b>	<b>129,894,398</b>	<b>28,801,706</b>

Details by head and line item are contained in Appendix 1 pages 32-552.

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.  
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**6. Borrowings, Grants and Other Capital Income**

During the fiscal year under review \$375 million was borrowed via Bahamas Government Registered Stocks, \$180 million via a US\$ Loan and \$65,900,939 was drawn-down from various loans (see details in the Statement of Public Debt at pages 26-37). Grants in the amount of \$0.116 million were drawn-down for various projects. (Details are shown in Appendix 1 page 537.)

**Summary of Borrowings, Grants and Other Capital Revenue**

HEAD	DESCRIPTION	ESTIMATED	ACTUAL	OVER/(UNDER)
		REVENUE 2012/2013	REVENUE 2012/2013	THE ESTIMATES
940	CAPITAL REVENUE	0	6,200	6,200
960	GRANTS	3,300,000	116,071	3,183,929
970	PROCEEDS FROM BORROWINGS	680,205,424	620,945,028	39,260,396
	<b>TOTAL CAPITAL REVENUE</b>	<b>663,505,424</b>	<b>621,067,299</b>	<b>42,438,125</b>

Details regarding Grants, Borrowings and Other Capital Income are contained in Annex 1 pages 555-558.

**7. Capital Acquisitions**

These comprise of major capital acquisitions and capital development works during this fiscal period. Other Capital Outlays comprise of loans, contributions and advances to Corporations.

**Summary of Capital Acquisitions, Development and Capital Outlays**

HEAD	MINISTRY/DEPARTMENT	APPROVED	ACTUAL	UNDER/(OVER)	SUPP.
		ESTIMATES 2012/2013	EXPENDITURE 2012/2013	THE ESTIMATE	APPROP. AUTHORIZED
11	PRISON DEPARTMENT	150,000.00	148,003.81	1,996.19	0.00
21	SUNDRY CAPITAL EXPENDITURE	131,600,000.00	155,521,547.97	26,449,731.50	50,371,279.47
23	CUSTOMS DEPARTMENT	2,125,000.00	613,013.07	1,511,986.93	0.00
29	MINISTRY OF NATIONAL SECURITY	500,000.00	4,519,328.00	0.00	4,019,328.00
31	ROYAL BAHAMAS POLICE FORCE	2,676,134.00	6,740,546.19	568,493.81	4,632,906.00
32	ROYAL BAHAMAS DEFENCE FORCE	5,349,591.00	2,775,620.37	2,573,970.63	0.00
33	MINISTRY OF PUBLIC WORKS & TRANSPORT	229,274,792.00	131,069,827.60	99,203,821.29	998,856.89
38	MINISTRY OF EDUCATION	14,188,635.00	16,640,057.06	2,632,577.94	5,084,000.00
39	THE COLLEGE OF THE BAHAMAS	2,000,000.00	4,483,286.00	0.00	2,483,286.00
45	DEPARTMENT OF HOUSING	1,150,000.00	1,071,604.48	78,395.52	0.00
47	DEPARTMENT OF YOUTH, SPORTS & CULTURE	2,818,000.00	2,292,663.57	525,336.43	0.00
52	DEPARTMENT OF CIVIL AVIATION	2,366,280.00	16,661,728.89	3,419,450.11	17,714,899.00
53	PORT DEPARTMENT	100,000.00	0.00	100,000.00	0.00

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**SUMMARY OF CAPITAL ACQUISITIONS, DEVELOPMENT & CAPITAL OUTLAYS (CONT'D)**

HEAD	MINISTRY/DEPARTMENT	APPROVED	ACTUAL	UNDER/(OVER)	SUPP.
		ESTIMATES 2012/2013	EXPENDITURE 2012/2013	THE ESTIMATE	APPROP. AUTHORIZED
55	DEPARTMENT OF METEROLOGY	100,000.00	58,856.85	41,143.15	0.00
56	MIN. OF AGRICULTURE AND MARINE RESOURCES	1,978,543.00	775,193.15	1,203,349.85	0.00
60	MINISTRY OF HEALTH	1,120,000.00	550,962.68	569,037.32	0.00
63	PUBLIC HOSPITAL AUTHORITY	3,279,786.00	8,279,786.00	0.00	5,000,000.00
85	DEPARTMENT OF ENVIRONMENTAL HEALTH SERVICES	1,100,000.00	410,212.39	689,787.61	0.00
<b>TOTAL CAPITAL EXPENDITURE</b>		<b>401,876,761.00</b>	<b>352,612,238.08</b>	<b>139,569,078.28</b>	<b>90,304,555.36</b>

Details by head and line item are contained in Annex 1 pages 560-589.

**8. Treasury Bills**

Treasury Bills are short term debt obligation backed by the Bahamas Government with a maturity of less than one year. It's governed by the section 17 of the Financial Administration and Audit Act. These T-Bills are issued through a competitive bidding process at a discount from par. The management of the process is handled by the Central Bank of the Bahamas and issuance of the paper is carried out by the Treasury Department. During the year in review, tap-ups were \$294,064,000.

**Treasury Bills Account for year ended 30th June 2013**

Outstanding TBills as at 1st July 2012		\$344,217,900
Amount Redeemed	(\$1,430,425,800)	
Amount Issued	\$1,674,489,800	
		\$294,064,000
Outstanding TBills as at 30th June 2013		\$588,281,900

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**9. Central Bank of the Bahamas Advances**

In accordance with the Central Bank of the Bahamas Act 351 section 28, the Bank may make temporary advances to the Government which shall be repaid as soon as possible. During the year in review \$55 million was repaid and \$22,970,444 was advanced.

**Central Bank Advances for year ended 30th June 2013**

Outstanding Advances as at 1 <sup>st</sup> July 2012		\$137,686,608
Amount Repaid	(\$55,000,000)	
Amount Advanced	\$22,970,444	
		(\$32,029,556)
Outstanding Advances as at 30th June 2013		\$105,657,052

**10. Advances from Other Financial Institutions.**

The Government of the Bahamas maintains an overdraft facility at the Royal Bank of Canada under the authority of Section 17 of the FAA Act. This facility has an approved limit of \$100million. This along with a Bridged loan facility of \$50million which is drawn on when required is used to finance the net deficit.

In June 2013 an advance of \$20million was secured from Citl Bank by the issuance of a commercial paper for a three month period under the authority of section 17 of the FAA Act.

**11. Cash and Bank Balances- (Consolidated Fund)**

<b>Cash and Bank Balances Consolidated Fund</b>	Financial Year Ended 30-Jun-2013	Financial Year Ended 30-Jun-2012
Bank of the Bahamas	2,766,388	2,766,388
Central Bank of the Bahamas	13,817,853	6,387,352
Bank Imprest Ministries & Departments	2,004,700	1,937,700
Foreign Banks	16,477,937	9,902,928
Family Island Bank Accounts	5,897,772	5,779,631
Sub-Total	<u>40,964,650</u>	<u>26,773,998</u>
Royal Bank	<u>(145,822,176)</u>	<u>(258,684,240)</u>
<b>Total Cash and Bank Balances</b>	<u>(104,857,526)</u>	<u>(231,910,243)</u>

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**12. Salary Deductions**

This amount represents amounts deducted from central government employees' salary with respect to employees' obligations either mandatory or voluntary to third parties for the month of June 2013 and paid in July 2013.

**13. Other Short term Advances and Depository Liabilities**

Other deposits includes contingency fund deposits (\$64.59m), Sinking fund deposits (\$31.98m), unclaimed cheques (\$38.47) and other miscellaneous deposits (\$43.84m). These amounts are paid in subsequent year/s. The amounts advanced includes Family Island Cash Districts (\$3.3m), advances to Ministries and Departments (\$8.06m) and Miscellaneous (\$0.94m)

**14. Public Debt**

The Public Debt is the Government's long term liabilities and under the present basis of preparation, they are not recorded in the primary financial statements. However in keeping with the FAA Act 2010 section 32 3) (f), a statement of public debt showing several amounts of the loans issued is shown in the supplementary disclosure. A summarized schedule of public debt totaling \$5.0B for the year ending June 30, 2013 is delineated below:

**Summary of the Public Debt**

LOAN DESCRIPTION	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/12	AMOUNT OUTSTANDING AS AT 30/06/12	AMOUNT OUTSTANDING AS AT 30/06/13
1 Bahamas Government Registered Stock	3,150,272,700	3,150,272,700	102,000,000	181,000,000	2,594,272,700	2,867,272,700
2 Loans Syndicated and payable - Bahamian Dollars	11,245,714	11,245,714	2,200,000	7,700,000	1,345,714	3,545,714
3 Loans & Bonds Syndicated and payable in US Dollars & Other Currencies	1,104,399,919	942,009,834	13,543,266	47,489,406	802,555,457	890,977,162
4 Sinking Funds	0	0	2,832,007	32,002,975	0	0
<b>Total Long Term Loans</b>	<b>4,265,918,333</b>	<b>4,103,528,248</b>	<b>120,575,273</b>	<b>268,192,381</b>	<b>3,399,173,871</b>	<b>3,751,795,576</b>
1 Short term Debt Securities	843,938,952	821,697,690	30,000,000	0	579,663,247	821,697,690
<b>Total Short Term Securities &amp; Long Term Loans</b>	<b>5,109,857,285</b>	<b>4,925,225,938</b>	<b>150,575,273</b>	<b>268,192,381</b>	<b>3,977,837,118</b>	<b>4,573,493,266</b>

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**15. Inter-Account Transfers**

During the year in review \$375,000,000 was raised via Bahamas Government Registered Stock of which \$268,358,023 was transferred from the Consolidated Fund Capital Account to the Consolidated Fund Current Account to cover the budget deficit.

**16. Sinking Funds**

Fixed Deposits been established to facilitate periodic deposits from the Consolidated Fund and interests earned are rolled over and will be used to repay the following financing items:

- a) The redemption of a Debenture (1963-2023) which was issued for the purchase of the Harcourt Malcolm Building in 1963. (Re: Harcourt Malcolm Purchase Act 1963). As of 30 June 2013, the fixed deposit balance was \$215,345
- b) The redemption of a US\$200 million Bond (2003-2033) in accordance with agreement executed by the Minister of Finance in July 2003. As at the 30 June 2013, the fixed deposit balance was \$22,333,259.
- c) The redemption of a US\$100 million Bond (2008-2038) in accordance with agreement executed by the Minister of Finance in July 2008. As at the 30 June 2013, the fixed deposit balance was \$5,120,884.
- d) The redemption of B\$24 million Bond for the Clifton Heritage as per The Clifton Heritage Authority Act, 2004. As at the 30 June 2013, the fixed deposit balance was \$4,522,084.

**17. Dishonoured Cheques**

A record is maintained of cheques received from the general public and other sources which were subsequently dishonoured by the drawee bank and are carried on the books until these cheques are honoured or approval is obtained for write-off.

**18. Fixed Assets**

The Financial Administration and Audit act 2010 now require a statement of fixed assets of the Government acquired during the financial year.

Land	\$	1,799,188
Infrastructure	\$	139,377,985
Buildings & improvement	\$	37,926,765
Transportation	\$	3,948,057
Machinery & equipment	\$	22,319,710
Furniture & fixtures	\$	18,392,497
Computerization	\$	1,078,377
TOTAL	\$	<u>224,842,578</u>

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**19. Government Corporations and Autonomous Agencies**

There are a number of wholly owned Government Corporations namely;

<b>Entity</b>	<b>Percentage (&amp;) of ownership</b>
a) Bahamas Electricity Corporation	100
b) The Water and Sewerage Corporation	100
c) Broadcasting Corporation of the Bahamas	100
d) Bahamasair Company Limited	100
e) The Hotel Corporation	100
f) Bahamas Mortgage Corporation	100

There are a number of Government Authorities mainly,

a) Airport Authority	100
b) Bahamas Maritime Authority	100
c) Public Hospitals Authority	100
d) The Bridge Authority	100
e) Education Loan Authority	100

Entities that the Government has part ownership;

a) Arawak Port Development	40
b) Bahamas Telecommunication Company Limited	49
c) Bank of the Bahamas	51

Other autonomous entities;

a) Bahamas Development Bank	100
b) Central Bank of the Bahamas	100
c) Nassau Flight Services	100
d) Utilities and Regulatory Authority	100

**20. Deposit Fund Account**

The Public Treasury has the fiduciary responsibility for the maintenance of a Deposit Fund Account as per FAA Act 2010.

Sections 15 &16 provides for the establishment of a Deposit Fund Account into which monies are deposited pending repayment or application to the purposes for which they were deposited.

Additionally section 15 sub-section (2) of the FAA Act 2010 provides authority for the Minister to make advances from the monies deposited.

As at 30<sup>th</sup> June 2013, the fund balance of the Deposits Fund is \$67,057,284.

Details are shown in the supplementary disclosure section of these notes.

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**21. Investments- Deposits Fund**

This investment of \$47,800 represents a bequest by Mr. W. G. Elmslie to the Bahamas Government of which the interest is to be used towards the maintenance of the clinic in West Grand Bahama. As at June 30<sup>th</sup> 2013, the interest earned and not used is \$81,671.

**22. Cash and Bank Balances –Deposits Fund**

<u>Cash and Bank Balances Deposits Fund</u>	Financial Year Ended 30-Jun-2013	Financial Year Ended 30-Jun-2012
Bank of the Bahamas	10,564,777	10,410,684
Central Bank of the Bahamas	471,285	471,285
Royal Bank	47,734,917	28,197,728
Family Island Bank Accounts	7,033,124	9,860,381
<b>Total Cash and Bank Balances</b>	<b>65,804,104</b>	<b>48,940,078</b>

**23. Post Office Savings Bank Fund (Chapter 315 Section 11)**

These funds represent monies deposited in the Treasury and are invested on behalf of the Post Office Savings Bank in accordance with section 11 of the Savings Bank Act.

The balance of the Fund as at June 30<sup>th</sup> 2013 was \$7,586,013 and is invested as shown below:

Cash and Bank	\$40,354
Fixed Deposits	\$4,355,659
Bahamas Government Registered Stocks	\$3,190,000

For the year under review interest earned on investment was \$273,589.

There were no re-imbursments made to the Central Government with respect of salaries (50%) paid to administrative staff employed by the Central Government for services rendered in relation to the Post Office Savings Bank.

**24. Public Officers' Loan**

The Public Officers' Loan Fund was established to assist Public Officers with urgent / unexpected medical expenses, to pursue additional academic qualifications and for the purchase of vehicles in accordance with General Orders No: 1250.

These loans/advances are granted by the Minister as per Section 15 Sub-section 2 (d) of the Financial Administration and Audit Act 2010 and paid from the Deposit Fund Account. These loans/advances attract interest at the prime rate. The amounts outstanding as at June 30, 2012 and June 30, 2013 are \$1,058,081 and \$1,079,792 respectively.



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**25. Confiscated Asset Fund**

The Confiscated Asset Fund Statements are presented under separate cover in accordance with the Proceeds from Crime Act and therefore are not included in these Statements. The assets of the said fund are under management of the Minister of Finance and as at 30 June 2013, the balance of the fund was \$1,478,436.

**26. Inactive and Dormant Accounts/ Amounts**

The inactive and dormant account amounts which are shown below and which were included in the Cash and Bank, the Current Account and the Deposit Fund Account Balances have been written off in accordance Section 25 of the Financial Administration and Audit Act 2010 and the Dormant and Inactive Accounts Regulations 2013.

<b>SUMMARY OF INACTIVE AND DORMANT ACCOUNTS/ AMOUNTS WRITTEN-OFF IN 2012 2013</b>		
CASHBOOK ACCOUNTS (APPENDIX 1)		(3,849,512.91)
<b>SUMMARY OF ADVANCES AND DEPOSIT ACCOUNTS TO BE WRITTEN OFF</b>		
ADVANCES AMOUNTS (APPENDIX 11)	10,466,130.59	
DEPOSIT AMOUNTS (APPENDIX 111)	(6,629,447.52)	3,836,693.07
NET WRITE-OFF		<u>(12,829.84)</u>

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2013**

<b>APPENDIX 1</b>			
<b><u>CASH BOOK BALANCES TO BE WRITTEN OFF</u></b>			
<u>BANK A/c No:</u>	<u>ACCOUNT DESCRIPTION</u>	<u>BOOK A/c No:</u>	<u>CASH BOOK BALANCE</u>
232.790.6	B\$ CONSOLIDATED A/C	103-1001	5,969,475.91
433.109.8	US\$ CONSOLIDATED A/C	103-1002	(3,376,956.25)
232.795.5	B\$ EXPENDITURE A/C	103-1003	(24,753,774.49)
433.117.9	US\$ EXPENDITURE A/C	103-1004	(2,068,490.89)
232.800.3	B\$ CAPITAL EXP A/C	103-1006	11,252,011.12
110.199.7	B\$ CONSOLIDATED A/C	103-1014	2,309,122.89
402.436.0	US\$ CONSOLIDATED A/C	103-1015	1,354,232.60
110.201.1	B\$ EXPENDITURE A/C	103-1016	5,557,836.10
402.438.6	US\$ EXPENDITURE A/C	103-1017	2,689,361.72
110.202.9	B\$ CAPITAL EXP A/C	103-1018	2,797,007.52
110.204.5	B\$ EXPENDITURE A/C	103-1019	2,162,583.27
232.790.6	B\$ DEPOSIT FUND	103-2001	6,496,970.22
433.113.8	US\$ DEPOSIT FUND	103-2002	936,481.94
232.791.4	B\$ DEPOSIT FUND	103-2011	(30,044,699.73)
110.200.3	B\$ DEPOSIT FUND (INC)	103-2014	9,160,568.31
402.437.8	US\$ DEPOSIT FUND (INC)	103-2015	168,584.02
110.203.7	B\$ DEPOSIT FUND EXP	103-2016	5,530,362.83
	<b>TOTAL</b>		(3,849,512.91)

<b><u>INACTIVE AND DORMANT ADVANCES AMOUNTS</u></b>			<b>APPENDIX 11</b>
<u>ACCOUNT NO:</u>	<u>ACCOUNT DESCRIPTION</u>	<u>AMOUNT</u>	
1212061	REGISTRAR SUPREME COURT	235.20	
1212131	BAH COMMISSIONER LONDON	54,422.66	
1212481	MIN OF AGRIC & FISH	(24,832.71)	
1212484	FISHERIES DEV PROJ	198.16	
1212492	P W D SUS A/C	(2,837.36)	
1212512	POST OFFICE DEPT	88,571.42	
1212552	TOURISM LONDON OFFICE	28,078.15	
1212703	KEMPS BAY	27,930.73	
1212822	FISHING DEPOT CARGI	32,933.88	
1221011	BHS DEVELOPMENT CORPORATION	919,101.60	

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS,  
NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2013**

**INACTIVE AND DORMANT ADVANCE AMOUNTS (CONT'D)**

1221012	BAHAMAS WATER CORPORATION	203,690.07
1221014	BAHAMAS BROADCASTING T.V. OI	192,907.17
1221915	GRANTS TOWN PROJECT	3,125,000.00
1222001	BATELCO	3,807.92
1222002	BAH BROCAST & T/V SV	3,584.61
1222004	B E C INTEREST EXPE	13,987.81
1222008	CENTRAL BANK	6,284.41
1222010	O I NATIONAL INSURANCE	(11,658.92)
1222012	BAHAMAS WATER CORPORATION	484,124.41
1222013	BAH AGRICULTURAL CO	330,000.00
1222025	HOTEL CORP PLANNING	600,000.00
1252001	NIGERIA	(1,295.58)
1252006	MIN OF PENSIONS	(84.94)
1252008	STLRTS SINGAPORE	106.47
1252012	UGANDA	205.23
1252027	S P O S	4,628.15
1252055	CROWN AGENTS	25,856.87
1252061	ANTIGUA	7,523.78
1262012	INAGUA CLINIC CONTR	36,412.50
1262044	PUBLIC OFFICERS INS	1,146.12
1262045	CAREFREE FASHION LT	30,000.00
1262078	O/I DEPT SUR CROPS	37,213.82
1262083	CHAIRMAN INDEPENDEN	39,995.60
1262092	AGR. LOANS FARM/FIS	(2,581.00)
1271002	HOTEL CORPORATION	1,000,000.00
1272001	PWD WORK ODER A/C	346,625.25
1272003	FREPORT POST OFFIC	11,081.42
1272008	LOW COST HOUSING	96,798.70
1272009	G L SEW PUMPS PT/CY	(775.00)
1272019	MINISTRY OF TOURISM	(1,395.85)
1612003	AGRIC ANIMAL FED A/	(10,227.56)
1612005	CR SALES MISCELLANE	(184.08)
1911100	DISHONoured CHEQUE PRIOR 1985	827,371.74
1912100	DISHONoured CHEQUE PRIOR 1985	26,110.27
1951001	CROWN AGENTS LOSS ON EXCHANGE	1,916,069.45
	<b>TOTAL ADVANCES</b>	<b>10,466,130.59</b>

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2013**

<b>IN-ACTIVE AND DORMANT DEPOSIT AMOUNTS</b>		<b>APPENDIX 111</b>
<b>ACCOUNT NO:</b>	<b>ACCOUNT DESCRIPTION</b>	<b>AMOUNT</b>
322100211	UNCLAIMED EXPENDITURE CHEQUES	(13,046.79)
322100811	UNCLAIMED CHEQUES CAPITAL A/C	(32,796.67)
322100911	UNCLAIMED CHEQUES CAPITAL (1988)	(40,000.00)
322101011	UNCLAIMED CHEQUES CAPITAL A/C 1987	(963,766.31)
322101111	UNCLAIMED CHEQUES CAPITAL A/C 1988	(518,919.43)
322101311	UNCLAIMED CHEQUES CAPITAL A/C 1990	(6,370.00)
322101511	UNCLAIMED CHEQUES TREASURERS I	(2,634.55)
322102311	UNCLAIMED CHEQUES CAPITAL A/C	(1,826.29)
322109911	UNCLAIMED CHEQUES PENSION	(285.34)
322200321	DEPOSIT FUND B\$	(80,437.21)
322200521	\$B B/F 1976	(441,839.43)
322200621	AG CORP CONTRA	(90,000.00)
341210221	POLICE AUCTION SALE	(5,888.70)
341210321	POLICE MOTOR CYCLES	(1,301.00)
341213021	PASSPORT OFFICE	(275.00)
341215121	US INTERNAT MILI ED	2,228.75
341219021	SALE CONFIS MAR PRO	(4,963.45)
341221521	DEPOSITS RENT CONT	(43,000.00)
341221621	BIOLOGICAL DIVERSITY	(2,050.00)
341222121	TELEP SWITCHBOARD T	(153.52)
341222221	ROAD TRAFF WELF FPT	(25.66)
341223421	ALL PURPOSE STEEL	(1,500.00)
341223521	CAMPBELLS CUSTOMS B	(1,004.00)
341223621	FAITH BAPTIST CHURC	(1,150.00)
341223721	QUEENS COLLEGE SCHO	(2,000.00)
341223821	CHURCH OF GOD COCON	(1,218.05)
341223921	CALVARY DEL CHURCH	(200.00)
341231121	PRISON FINES	(17,839.30)
341231321	PRISON-UNIFORM & BU	(16,474.96)
341234221	LANDS & SURVEY BEC	(3,374.00)
341234321	LANDS & SURVEY BATE	(850.00)
341235121	PIGS HUSB TRNG PROG	(2,500.00)

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR YEAR ENDED 30 JUNE, 2013**

**INACTIVE AND DORMANT DEPOSIT AMOUNTS (CONT'D)**

341238121	REG OF BIDDERS/WORL	(2,933.70)
341238221	NAT'L TASK FORCE ON	(6,600.00)
341238621	GRAMCO SCH FUND	(5,538.21)
341238721	SUMMER WORKSHOPS	(4,592.90)
341238821	PRIVATE DONA-INDUS	(20,105.00)
341240221	CONSTRUCTION OF GYM	(400,000.00)
341241221	RAND MEMORIAL	(126,701.18)
341241421	CAPITAL ASSET EXP H	(123,131.91)
341241621	MOH INTERIM IMPROV	(169.52)
341241721	TRAINING CONTRL M O	(7,792.15)
341241821	MISC CONTRI AIDS -	(1,390.40)
341242021	N I B EMPLOYEES CON	(2,617.26)
341248121	FISHERIES INCOME A/	(101.06)
341248221	ANIMAL FEED PILOT P	(725.01)
341249121	TENDERS M.O.W.	(2,485.00)
341256121	METEOROLOGICAL DEPT	(8,000.00)
341256221	DEFENSE FORCE FINES	(4,248.77)
341260121	PAHO GRANT STRENGH	(33,842.00)
341270021	WALKERS CAY HOTEL/M	(120,000.00)
341270121	PILOT HOUSE CLUB	(741.93)
341270221	BURK & VIRGINIA CUL	(1,658.54)
342200121	ELECTRICITY CORP	(569.26)
342200421	T/CMS INSURANCE	(1,757.48)
342200521	CENTRAL BANK	(3,203.81)
342200621	WATER CORP	(16,869.25)
342200821	R D WORKS PUB	(110,471.32)
342200921	BROADCASTING CORP	(200.00)
342201021	BOYS INDUS SCHOOL P	(14,000.00)
342201121	MOW NATIONAL INSURA	(9,852.28)
342201221	M O W HOUS CORP	(127,900.36)
342202521	HOTEL CORP PLANNING	(600,000.00)
342202721	B E C PROJECT LANDS	(2,095.24)

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2013**

**INACTIVE AND DORMANT DEPOSIT AMOUNTS (CONT'D)**

342202821	BEC PROJECT AT SOU	(1,588.00)
346202521	EDUCATIONAL SURVEY	(85,013.20)
346202821	CONTRBTN BETSY FUND	(28,567.54)
346202921	O I LIBRARIES	(70,477.53)
346203021	O I APPEAL BOND	(21,746.49)
346204421	ELECTION 1987	(142,272.23)
346210821	HOSPITAL PATIENTS	(103,156.31)
346211221	LND CLEARING L/ISLD	(55,390.26)
346212321	CAR PARK FEES	(1,845.00)
346213021	DEPORTATION INDIAN NATIONALS	(725.00)
346215221	BIG POND SUB	(97,501.21)
346215321	YELLOW ELDER SUBDIV	(171,023.78)
346217321	BUILDING PERMITS	(38,086.95)
346217421	MET TRAINING SCHEME	(4,933.50)
346218321	DOCKAGE FEES GR TUR	(22.29)
346219121	INAGUA CLINIC CONTR	(76,148.83)
346219721	SECURED CUSTOM DUTI	(16,497.81)
346220421	MAGISTRATE C 4 SUIT	(533,414.07)
346220521	MAGISTRATE C 5 SUIT	(135,172.40)
346220721	SUITORS DEPOSITS-M/	(24,242.50)
346221421	AIRPORT CUSTOMS DUT	(25,966.97)
346221521	FREEPORT CUSTOMS DU	(33,875.41)
346221721	F/PORT AIRPORT CUST	(23,610.48)
346221821	BAH INTL TRUST SCH	(2,459.88)
346221921	CROWN LIFE IND SCH	(2,000.67)
346222421	ROCK SOUND CLINIC	(3,266.50)
346223021	PATRICK HUMES (DUTY	(3,760.05)
346225721	DOCKAGE FEES MARSH	(1,279.19)
346230221	W & O PENSION FUND	(39,765.54)
346231021	UNPAID RENT FREEPOR	(6,290.74)
346233021	MOW ABACO SCH REP	(5,980.30)
346233121	MOW GB SCHOOL REP	(576,976.12)

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.  
NOTES TO THE FINANCIAL STATEMENTS  
FOR YEAR ENDED 30 JUNE, 2013**

**INACTIVE AND DORMANT DEPOSIT AMOUNTS (CONT'D)**

346233221	MYERS BEACH ESTATES	(2,265.76)
346235121	FARMERS MARKET DEV	(7,048.46)
346238421	HOTEL TRAINING SCHOLARSHIP	(173,139.28)
346238721	EXAM FEES-FP	(43,538.64)
346248121	WORLD FOOD DAY	(2,245.07)
346256121	CONTRI USA COMM DEP	4,000.00
346270821	EIGHT MILE ROCK	500.00
346275021	F I ACCOUNTS	412,849.51
346283721	B J C SUBJECT FEES	(306,211.00)
346283821	EXAMINATION FEES-MI	(368,617.11)
346283921	BONDS-TECH/VOCATION	(9,170.03)
346290921	GRANTS TOWN COMM DE	(5,500.00)
346291021	ATTORNEY GEN PREMIE	(241.48)
399299921	MISCELLANEOUS	237,986.99
	<b>TOTAL DEPOSITS</b>	<b>(5,628,447.52)</b>





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# Annex 7

## Statement of The Public Debt



GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
PUBLIC DEBT STATEMENT  
FOR YEAR ENDED JUNE 30, 2013

Statement no: 6

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
1. \$25.0m Treasury Stock (8/30/87) (7 3/4% & 8 3/4%) Maturing 1996 & 2013	1987	1996/2012	25,000,000	25,000,000	20,000,000	5,000,000	30,000,000	30,000,000	Bahamas Registered 0 Stock Act 1973 and provision of the Stock of Assembly dated Dec. 31, 1991
2. \$45.0m Treasury Stock (12/5/88, 7/8, 1 1/16, 1 3/16, 1 1/4 % above prime) (23/9/96) Maturing 2004, 2006, 2010, 2013, 2015, & 2016	1996	2004/2016	45,000,000	45,000,000		15,000,000	30,000,000	30,000,000	Bahamas Registered 0 Stock Act 1973 and provision of the Stock of Assembly dated Dec. 31, 1991
3. \$30.0M Treasury Stock (08/2/97) (1 1/8, 1 7/8% above prime) 2015 & 2016	1997	2015/2016	30,000,000.00	30,000,000.00			30,000,000.00	30,000,000.00	members of the stock of Assembly dated Dec. 31, 1991
4. \$35.0m Treasury Stock (8%, 8 1/2% & 9% (15/3/88) Maturing 1993, 1998 & 2013	1988	1993/2013	35,000,000	35,000,000	20,000,000	15,000,000	20,000,000	20,000,000	Bahamas Registered 0 Stock Act 1973 and provision of the Stock of Assembly dated Dec. 31, 1991

Statement no: 6

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
PUBLIC DEBT STATEMENT  
FOR YEAR ENDED JUNE 30, 2013

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT OF LOAN DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
5 \$47.0m Treasury Stock (24/8/93) (5/8, 11/16, 3/4% above prime) Maturing 2010, 2011 & 2012	1993	2010/2012	47,000,000	47,000,000	27,000,000	20,000,000	27,000,000	0	Bahamas Registered Seek Act 1973 and Resolution of the House of Assembly dated Dec. 21, 1981
6 \$65.0M Treasury stock (5 3/4%, 5 7/8%, 6%, & 6 5/8) (20/09/94) Maturing 2007, 2008, 2009 & 2014	1994	2007/2014	65,000,000	65,000,000	50,000,000	15,000,000	15,000,000	15,000,000	Bahamas Registered Seek Act 1973 and Resolution of the House of Assembly dated Dec. 21, 1981
7 \$25.0m Treasury Stock (18/05/95) (1% above prime) Maturing 2013	1995	2013	25,000,000	25,000,000	25,000,000	0	25,000,000	0	Bahamas Registered Seek Act 1973 and Resolution of the House of Assembly dated Dec. 21, 1981
8 \$30.0m Treasury Stock (26/2/96) (7/8, 1 1/16, 1 1/8% above prime) Maturing 2010, 2013 & 2014	1996	2010/2014	30,000,000	30,000,000	10,000,000	10,000,000	20,000,000	10,000,000	Bahamas Registered Seek Act 1973 and Resolution of the House of Assembly dated Dec. 21, 1981

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
PUBLIC DEBT STATEMENT  
FOR YEAR ENDED JUNE 30, 2013

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
9. \$40.0m Treasury Stock (13/06/96) (1.1/16, 1.1/8, 1.3/16, 1.1/4 % above prime) 2014, 2015, 2016 & 2017	1996	2014/2017	40,000,000	40,000,000	0	0	40,000,000	40,000,000	Balance Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991
10. \$50.0m Treasury Stock (15/07/97) (1.7/32%, 9/16%, 19/32%, 5/8% above prime) maturing 2014, 2015, 2016 & 2017	1997	2014/2017	50,000,000	50,000,000	0	0	50,000,000	50,000,000	Balance Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991
11. \$50.0m Treasury Stock (15/10/97) (1.1/8%, 1.3/16%, 1.1/4% above prime rate) maturing 2015, 2016 & 2017	1997	2015/2017	50,000,000	50,000,000	0	0	50,000,000	50,000,000	Balance Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991
12. \$11.0m Treasury Stock (08/4/98) (7/16%, & 1/2% above prime rate) maturing 2012 & 2014	1998	2012/2014	21,000,000	21,000,000	10,000,000	10,000,000	11,000,000	11,000,000	Balance Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
PUBLIC DEBT STATEMENT  
FOR YEAR ENDED JUNE 30, 2013

Statement no. 6

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
13 \$50.0m Treasury Stock (10/8/98) 3/8%, 15/32%, 9/16% & 19/32% above prime rate) Maturing 2011, 2014, 2017, & 2018	1998	2011/2018	50,000,000	50,000,000		30,000,000	40,000,000	40,000,000	Bahamas Registered Stock Act 1973 and resolution in the House of Assembly dated Dec. 21, 1991.
14 \$26.0m Treasury Stock (26/2/99) 17/32%, 5/16% & 9/16% above prime rate) Maturing 2007, 2010, & 2018	1999	2007/2018	26,000,000	26,000,000		16,000,000	10,000,000	10,000,000	Bahamas Registered Stock Act 1973 and resolution in the House of Assembly dated Dec. 21, 1991.
15 \$30.0m Treasury Stock (9/3/95, 5/16%, & 19/32% above prime rate) Maturing 2008, 2009 & 2018	1998	2008/2018	30,000,000	30,000,000		20,000,000	10,000,000	10,000,000	Bahamas Registered Stock Act 1973 and resolution in the House of Assembly dated Dec. 21, 1991.
16 \$50.0m Treasury Stock (21/7/99) 17/32%, 9/32%, 3/8%, 7/16, 15/32% above prime rate) Maturing 2011, 2013, 2016, 2018 & 2019	1999	2011/2019	50,000,000	50,000,000		10,000,000	40,000,000	40,000,000	Bahamas Registered Stock Act 1973 and resolution in the House of Assembly dated Dec. 21, 1991.

Statement no. 6

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
PUBLIC DEBT STATEMENT  
FOR YEAR ENDED JUNE 30, 2013

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
17 \$28.0m Treasury Stock (15/11/99) (3/16%, 7/16% & 15/32% above prime rate) Maturing 2016, 2018 & 2019	1999	2016/2019	28,000,000	28,000,000	0	0	28,000,000	28,000,000	Bahamas Registered Stock Act 1973 and provision of the notice of Assembly dated Dec 21, 1991.
18 \$30.0M Treasury Stock (21/09/00) (7/16%, 15/32%, 1/2% above prime rate) Maturing 2018, 2019 & 2020	2000	2018/2020	30,000,000	30,000,000	0	0	30,000,000	30,000,000	Bahamas Registered Stock Act 1973 and provision of the notice of Assembly dated Dec 21, 1991.
19 \$25.8M Treasury Stock (27/10/00) (9/32%, 15/32%, & 1/2% above prime rate) Maturing 2013, 2015, & 2020	2000	2013/2020	25,800,000	25,800,000	0	0	25,800,000	25,800,000	Bahamas Registered Stock Act 1973 and provision of the notice of Assembly dated Dec 21, 1991.
20 \$34.3M Treasury Stock (30/07/01) (1/2%, 17/32%, & 9/16% above prime rate) Maturing 2019, 2020 & 2021	2001	2019/2021	34,300,000	34,300,000	0	0	34,300,000	34,300,000	Bahamas Registered Stock Act 1973 and provision of the notice of Assembly dated Dec 21, 1991.

Statement no: 6

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
PUBLIC DEBT STATEMENT  
FOR YEAR ENDED JUNE 30, 2013

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
21 \$40.9478M Treasury Stock (12/12/01) 15/32, 1/2, 17/32, 9/16 Maturing 2018-2021	2001	2018/2021	40,947,800	40,947,800	0	0	40,947,800	40,947,800	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 31, 1991.
22 \$20.465M Treasury Stock (26/04/02) (17/32% & 9/16 APR) Maturing 2020 & 2021	2002	2020/2021	20,465,000	20,465,000	0	0	20,465,000	20,465,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 31, 1991.
23 \$60.0M Treasury Stock (23/08/02) (1/4, 5/16, 11/32, 3/8, 13/32 APR) Maturing 2017, 2019, 2020, 2021, & 2022	2002	2017/2022	60,000,000	60,000,000	0	0	60,000,000	60,000,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 31, 1991.
24 \$65.0M Treasury Stock (04/12/02) (9/16, 11/32, 3/8, 13/32 APR) Maturing 2015, 2020, 2021, & 2022	2002	2015/2022	65,000,000	65,000,000	0	0	65,000,000	65,000,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 31, 1991.



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FOR YEAR ENDED JUNE 30, 2013

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
25 \$61.1M Treasury Stock (08/04/03)(1/4, 5/16, 11/32, 3/8) Maturing 2019, 2021, 2022 & 2023	Z003	2019/2023	61,100,000	61,100,000	0	0	61,100,000	61,100,000	Bahamas Registered Stock Act 1973 and provisions of the Finance of Assembly dated Dec. 21, 1991
26 \$75.0M Treasury Stock (21/07/03)(3/32, 3/16, 11/32, 3/8) Maturing 2014, 2017, 2022 & 2023	Z003	2014/2023	75,000,000	75,000,000	0	0	75,000,000	75,000,000	Bahamas Registered Stock Act 1973 and provisions of the Finance of Assembly dated Dec. 21, 1991
27 \$23,289,800 Treasury Stock (09/02/04) (11/32, 3/8) Maturing 2023-2024	Z004	2023/2024	23,289,800	23,289,800	0	0	23,289,800	23,289,800	Bahamas Registered Stock Act 1973 and provisions of the Finance of Assembly dated Dec. 21, 1991
28 \$100.0m Treasury Stock (29/07/04)(5/32, 1/3, 1/8, 3/16, 7/32, 1/4, 9/32, 5/16%) Maturing 2015, 2016, 2018, 2021, 2022, 2023 & 2024	Z004	2015/2024	100,000,000	100,000,000	0	0	100,000,000	100,000,000	Bahamas Registered Stock Act 1973 and provisions of the Finance of Assembly dated Dec. 21, 1991

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LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
29 \$100.0M Treasury Stock (22/10/09)(2/32, 1/16, 3/32, 5/32, 1/4, 9/32, 5/16)	2006	2015/2024	100,000,000	100,000,000	0	0	100,000,000	100,000,000	Bahamas Registered Stock Act 1973 and requirement of the House of Assembly dated Dec. 21, 1991
Maturing 2015, 2016, 2017, 2019, 2022, 2023, 2024									
30 \$40.0M Treasury Stock (27/04/05) (7/32, 1/4, 9/32, 5/16)	2005	2022/2025	40,000,000	40,000,000	0	0	40,000,000	40,000,000	Bahamas Registered Stock Act 1973 and requirement of the House of Assembly dated Dec. 21, 1991
Maturing 2022-2025									
31 \$40.4666M Treasury Stock (28/06/05) (28/06/05) (1/8, 1/4, 9/32)	2005	2020/2025	40,466,600	40,466,600	0	0	40,466,600	40,466,600	Bahamas Registered Stock Act 1973 and requirement of the House of Assembly dated Dec. 21, 1991
Maturing 2020, 2024 & 2025									

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LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
32. \$75.0M Treasury Stock (07/09/05)(5/32, 3/16, 7/32, 1/4, 9/32) Maturing 2021-2025	2005	2021/2025	75,000,000	75,000,000	0	0	75,000,000	75,000,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991.
33. \$75.0M Treasury Stock (18/01/06)(5/32, 1/4, 9/32, 5/16) Maturing 2021, 2024, 2025 & 2026	2006	2021/2026	75,000,000	75,000,000	0	0	75,000,000	75,000,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991.
34. \$25.894M Treasury Stock (30/06/05) (3/8) Maturing 2025	2005	2025	25,894,200	25,894,200	0	0	25,894,200	25,894,200	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991.
35. \$51.645M Treasury Stock (04/05/06)(1/4, 9/32, 5/16) Maturing 2024-2026	2006	2024/2026	51,645,000	51,645,000	0	0	51,645,000	51,645,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991.

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LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
36 \$100M Treasury Stock (22/09/06) 5/32%, 3/16%, 7/32%, 1/4%, 9/32% Maturing 2021, 2022, 2023, 2024, 2025 & 2026	2006	2021/2026	100,000,000	100,000,000	0	0	100,000,000	100,000,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 2006
37 \$50M Treasury Stock (28/03/07) (9/32, 5/16) Maturing 2026 & 2027	2007	2026/2027	50,000,000	50,000,000	0	0	50,000,000	50,000,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 2007
38 \$45,284M Treasury Stock (09/05/07) (5/16) Maturing 2027	2007	2027	45,284,000	45,284,000	0	0	45,284,000	45,284,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 2007
39 \$100M Treasury Stock (26/07/07) 5/16%, 5/16%, 5/8% Maturing 2027, 2035 & 2037	2007	2027/2037	100,000,000	100,000,000	0	0	100,000,000	100,000,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 2007

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LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
40 \$35M Treasury Stock (08/10/07), 5/16%, 11/32%, 3/8% Maturing 2027, 2028 & 2029	2007	2027/2029	35,000,000	35,000,000	0	0	35,000,000	35,000,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991.
41 \$11,500M Treasury Stock (28/11/07), 1/32%, 3/32%, 5/16%, 13/32% Maturing 2018, 2020, 2027 & 2030	2007	2018/2030	31,500,900	31,500,900	0	0	31,500,900	31,500,900	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991.
42 \$100M Treasury Stock (22/09/08), 9/32%, 5/16%, 11/32%, 3/8%, 13/32%, 7/16% Maturing 2028, 2029, 2030, 2031, 2032, & 2033	2008	2028/2033	100,000,000	100,000,000	0	0	100,000,000	100,000,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991.
43 \$107,226M Treasury Stock (06/01/09), 1/4%, 9/32%, 5/16%, 11/32% Maturing 2028, 2029, 2030, 2031, 2032 & 2033	2008	2028/2033	107,226,000	107,226,000	0	0	107,226,000	107,226,000	Bahamas Registered Stock Act 1973 and resolution of the House of Assembly dated Dec. 21, 1991.

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LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
44 \$150M Treasury Stock (27/08/09) 1/8%, 9/64%, 5/32%, 11/64%, 3/16%, 13/64%, 7/32%, 15/64%, 1/4% Maturing 2028, 2029 & 2030	2009	2028/2030	150,000,000	150,000,000	0	0	150,000,000	150,000,000	Advanced Registered Stock Act 1973 and Amendment of the House of Assembly dated Dec. 21, 1995.
45 \$59.7243M Treasury Stock (26/04/10) 1/12%, 3/32%, 5/48% Maturing 2028, 2029 & 2030	2010	2028/2030	59,724,300	59,724,300	0	0	59,724,300	59,724,300	Bahamas Registered Stock Act 1973 and Amendment of the House of Assembly dated Dec. 21, 1995.
46 \$100M Treasury Stock (26/07/10) 1/7%, 11/96%, 3/32%, 7/48%, 17/96% Maturing 2028, 2029, 2031, 2034, & 2037	2010	2028/2037	100,000,000	100,000,000	0	0	100,000,000	100,000,000	Bahamas Registered Stock Act 1973 and Amendment of the House of Assembly dated Dec. 21, 1995.

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LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT OF LOAN DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
47 \$100M Treasury Stock (19/10/10) 5.5%/ 1/48%, 1/24%, 5/12%	2010	2015/2030	100,000,000	100,000,000	0	0	100,000,000	100,000,000	Balance Registered Stock Act 1973 and renewed in the House of Assembly dated Dec. 31, 1991.
Maturing 2015, 2017, 2019 & 2030									
48 \$34,9932M Treasury Stock (10/12/10) 11/96%, 1/8%, 13/96%, 7/8%	2010	2016/2029	34,993,200	34,993,200	0	0	34,993,200	34,993,200	Balance Registered Stock Act 1973 and renewed in the House of Assembly dated Dec. 31, 1991.
Maturing 2016, 2027, 2028 & 2029									
49 \$100M Treasury Stock (15/08/11) Maturing 2016, 2018, 2020, 2026, 2028, 2032	2011	2016/2032	100,000,000	100,000,000	0	0	100,000,000	100,000,000	Balance Registered Stock Act 1973 and renewed in the House of Assembly dated Dec. 31, 1991.
Maturing 2016, 2020, 2026, 2028 & 2032									
50 \$60M Treasury Stock (10/11/11) 1/64%, 1/32%, 5/64%, 3/32%	2011	2016/2028	60,000,000	60,000,000	0	0	60,000,000	60,000,000	Balance Registered Stock Act 1973 and renewed in the House of Assembly dated Dec. 31, 1991.
Maturing 2016, 2018, 2020, 2026, 2028									

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LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>BAHAMAS GOVT REGISTERED STOCK</b>									
51 \$10.6359M Treasury Stock (26/06/12) 1/64%, 3/128%, 1/32%	2012	2019/2021	10,635,900	10,635,900	0	0	10,635,900	10,635,900	Bahamas Registered Seek Act 1973 and resolution or the House of Assembly dated Dec. 21, 1991.
Maturing 2017, 2018, 2020, 2021, 2022, 2027, 2029, 2030 & 2031									
52 \$200M Treasury Stock (16/07/12) 4%, 4 1/40%, 4 3/40%, 4 1/20%, 4 1/8%, 4 1/4%, 4 3/10%, 4 13/40% & 4 7/20%	2012	2017/2031	200,000,000	200,000,000	0	0	200,000,000	200,000,000	Bahamas Registered Seek Act 1973 and resolution or the House of Assembly dated Dec. 21, 1991.
Maturing 2017, 2018, 2020, 2021, 2022, 2027, 2029, 2030 & 2031									
53 \$100M Treasury Stock (25/09/12) 3/256%, 3/128%, 11/256%, 7/128%, 1/16%	2012	2014/2032	100,000,000	100,000,000	0	0	100,000,000	100,000,000	Bahamas Registered Seek Act 1973 and resolution or the House of Assembly dated Dec. 21, 1991.
Maturing 2016, 2019, 2021, 2027, 2030, 2032									
54 \$25M Treasury Stock (29/10/12) 15/256%, 1/16%	2012	2031/2032	25,000,000	25,000,000	0	0	25,000,000	25,000,000	Bahamas Registered Seek Act 1973 and resolution or the House of Assembly dated Dec. 21, 1991.
Maturing 2031 & 2032									





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LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
RBC Overdraft Facility			100,000,000	77,758,739		77,758,739	77,758,739	77,758,739	Section 17 of Public Act 2010
Citibank line of Credit/Advance	2012	2013	30,000,000	30,000,000	30,000,000	0	30,000,000	30,000,000	Ord. Rev. No. 2012
Citibank line of Credit/Advance	2013		20,000,000	20,000,000			20,000,000	20,000,000	Provisionary Note
<b>Total</b>			<b>843,938,952</b>	<b>821,897,690</b>	<b>30,000,000</b>	<b>579,663,247</b>	<b>821,697,690</b>		
<b>LOANS SYNDICATED &amp; PAYABLE IN BAHAMIAN DOLLARS</b>									
5% Harcourt Malcolm Property Loan 1962/2023	1964	2023	245,714	245,714			245,714	245,714	The Harcourt Malcolm Property Loan Act (1962-23, 1964-
The Airport Authority Loan	2008	2013	11,000,000	11,000,000	2,200,000	7,700,000	1,100,000	3,300,000	Airport Act, 2008
<b>TOTAL</b>			<b>11,245,714</b>	<b>11,245,714</b>	<b>2,200,000</b>	<b>7,700,000</b>	<b>1,345,714</b>	<b>3,545,714</b>	

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LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 30/06/2013	REMARKS
<b>LOANS SYNDICATED IN U.S. DOLLARS AND OTHER CURRENCIES</b>									
US\$21.0m B48/DC-BH IDB Loan	1995	2020	21,600,061	21,600,061	1,296,002	11,237,045	10,368,015	9,072,013	Loan Agreement dated 21/02/91
Inter-American Development Bank 1256/OC-BH Infrastructure Rehabilitation (Hurricane Floyd) (March 21, 2001)	2001	2021	21,000,000.00	20,950,022	1,263,909	9,575,433	11,375,189	30,111,280	Loan Contract dated 21/02/01
Inter-American Development Bank 1320/OC-BH (New Providence Transport Program) (2/10/01)	2001	2021	46,200,000.00	43,399,961	3,250,859	12,516,638	22,841,943	27,632,464	Loan Contract dated 22/10/01
Inter-American Development Bank 1589/OC-BH Land Use Policy Loan	2005	2015	3,500,000	3,317,298	526,748	1,797,054	1,580,241	1,053,496	Loan Contract dated March 16, 2005
Inter-American Development Bank 1617/DC-BH Immediate Response Facility	2005	2025	16,700,000	3,580,521	238,701	477,403	3,222,469	2,864,417	Loan Contract dated April 28th, 2005
Inter-American Development Bank 1695/OC-BH Education & Training Loan	2006	2026	18,000,000	8,705,506	490,285	612,878	4,594,098	7,662,743	Loan Agreement

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E. C. Rural Energy Project (1.0m Disbursed in Euro)	1991	2030	1,442,766	1,442,766	30,857	335,348	1,107,418	1,076,560	Loan Agreement dated 11/11/1990
Food Technology Complex	1982	2021	468,221	468,221	19,829	290,534	177,687	157,858	Loan Agreement dated 21/7/1984
IOB 1170/OC-BH Solid Waste Management Loan	2001	2019	23,500,000	21,797,400	1,580,619	10,542,881	12,004,906	9,753,986	Loan Contract dated June 11, 1999
IOB 1988/CC-BH New Providence Trms Spint Rd.	2008	2033	100,000,000	99,193,464	4,647,956		84,477,072	84,545,508	Loan Contract dated June 11, 2008
\$200M Bond Issue Maturing 2033	2003	2033	200,000,000	200,000,000			200,000,000	200,000,000	Received 8/25/03, 100% Subscription Made at Assembly June 25, 2004

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The EXIM Bank of China-Caribbean Scanners Loan *134,000,000 RMB Yuan Disbursed in USD	2006	2022	3,652,600	3,492,713	337,505	1,08,271	3,323,442	2,985,936	Joint Agreement dated February 2006.
\$100M Bond Issue Maturing 2038	2008	2038	100,000,000	100,000,000		0	100,000,000	100,000,000	Issued at Bonds of 100,000,000 Annually dated December 17th, 2007.
Family Island Project (CDB Loan no. 09/08-BHA)	2010	2015/2018	10,109,000	5,008,816		0	2,642,036	5,308,816	Joint Agreement dated Dec. 11th, 2010.
Chinese Concessional Loan (Airport Road) *1400,000,000 RMB Yuan Disbursed in USD	2010	2030	57,999,966	55,388,968		0	29,840,339	55,388,968	
\$300M Bond Issue Maturing 2029	2009	2029	300,000,000	300,000,000		0	300,000,000	300,000,000	Issued at Bonds of 300,000,000 Annually dated March 9, 2009. A.S. Inc. 17, 2009.

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DB 2682/2683/OC-BH-AH Tripart. Reform Program (16/12/2011)	2011	2031	50,000,000	15,350,000			15,000,000	15,250,000	Loan Contract: DB 2682/2683/OC-BH-AH, 2011
Chinese Concessional Ln. (North Abaco PI/BC) *260,000,000 RMB Yuan Disbursed in USD	2012		41,227,305				0	0	Assembly Resolution 041, 030, 2012
DB 2750/OC-BH Trade Sector Support (18/07/2012)	2012	2037	15,500,000				0	0	Assembly Resolution 041, 030, 2012
DB 2756/OC-BH Social Safety Net Reform (30/06/2012)	2012	2037	7,500,000				0	0	Act, Aug. 30, 2012

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IOB 2773 OC-BH New Providence S.F. II (04/09/2012)	2012	2037	65,000,000	38,113,116				38,113,116	def. Aug. 30, 2013
<b>TOTAL</b>			<b>1,104,398,919</b>	<b>942,009,834</b>	<b>13,543,266</b>	<b>47,489,406</b>	<b>802,555,457</b>	<b>880,977,162</b>	<b>0</b>
<b>SINKING FUNDS</b>									
5% Harcourt Malcolm Property Loan 1962/2023	1964	2023	245,714	245,714	1,486	26,748			The Harcourt Malcolm Property Purchase Act 1962/1963.
Clifton Heritage Authority Maturing 2025-2035	2005	2035	24,000,000	24,000,000	1,130,521	4,522,084			Clifton Heritage Authority Act, 2004

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\$100M Bond Issue Maturing 2038	2008	2038	100,000,000	100,000,000	1,700,000	5,120,884			Issue of Assembly during December 27th, 2007
\$200M Bond Issue Maturing 2033	2009	2033	200,000,000	200,000,000		22,333,259			Proceeds Received \$195,910,000 Resolution House of Assembly June 2009
<b>Total</b>					<b>2,832,007</b>	<b>32,002,975</b>			





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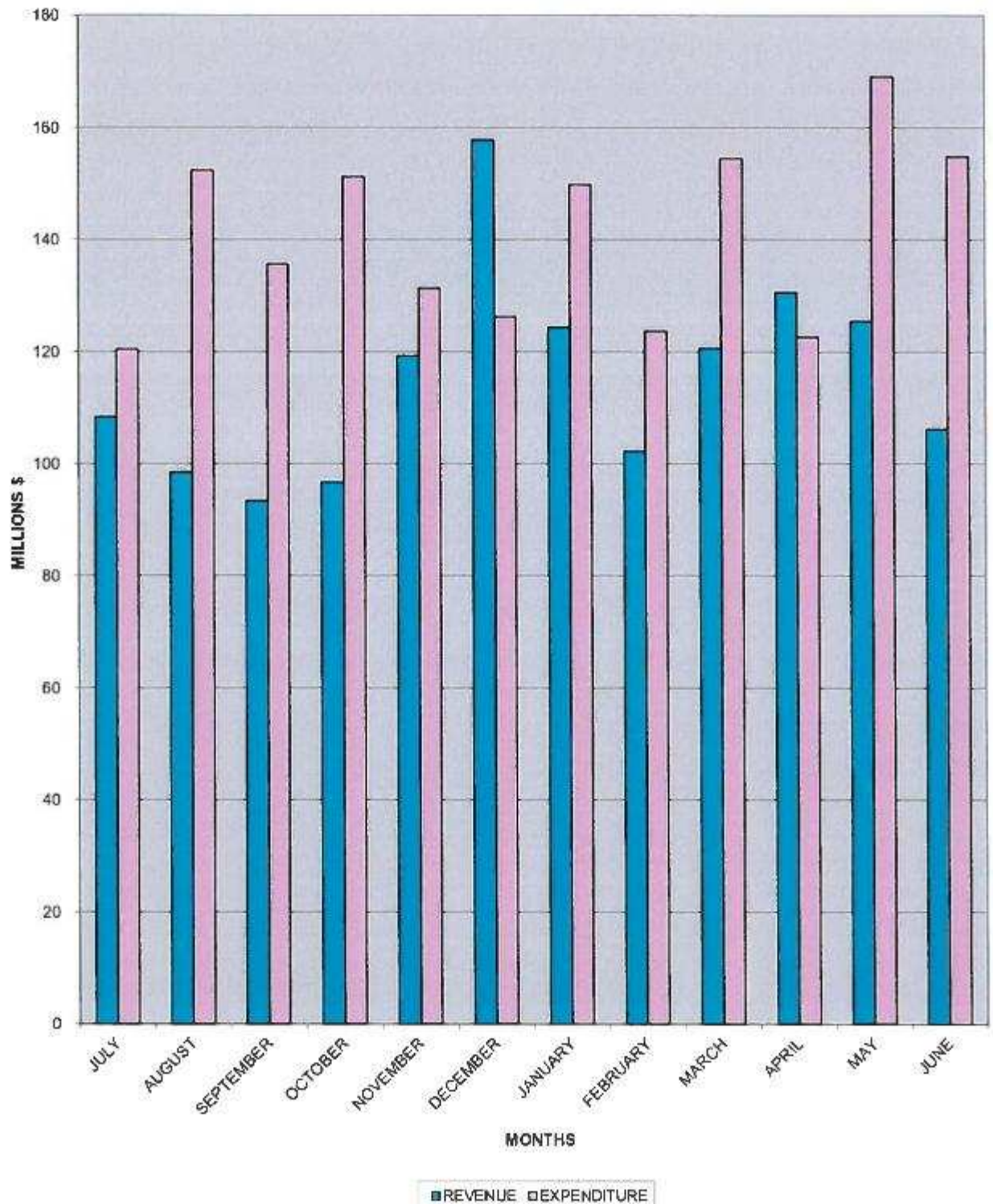
## Annex 8

# Graphs of Revenue and Expenditure



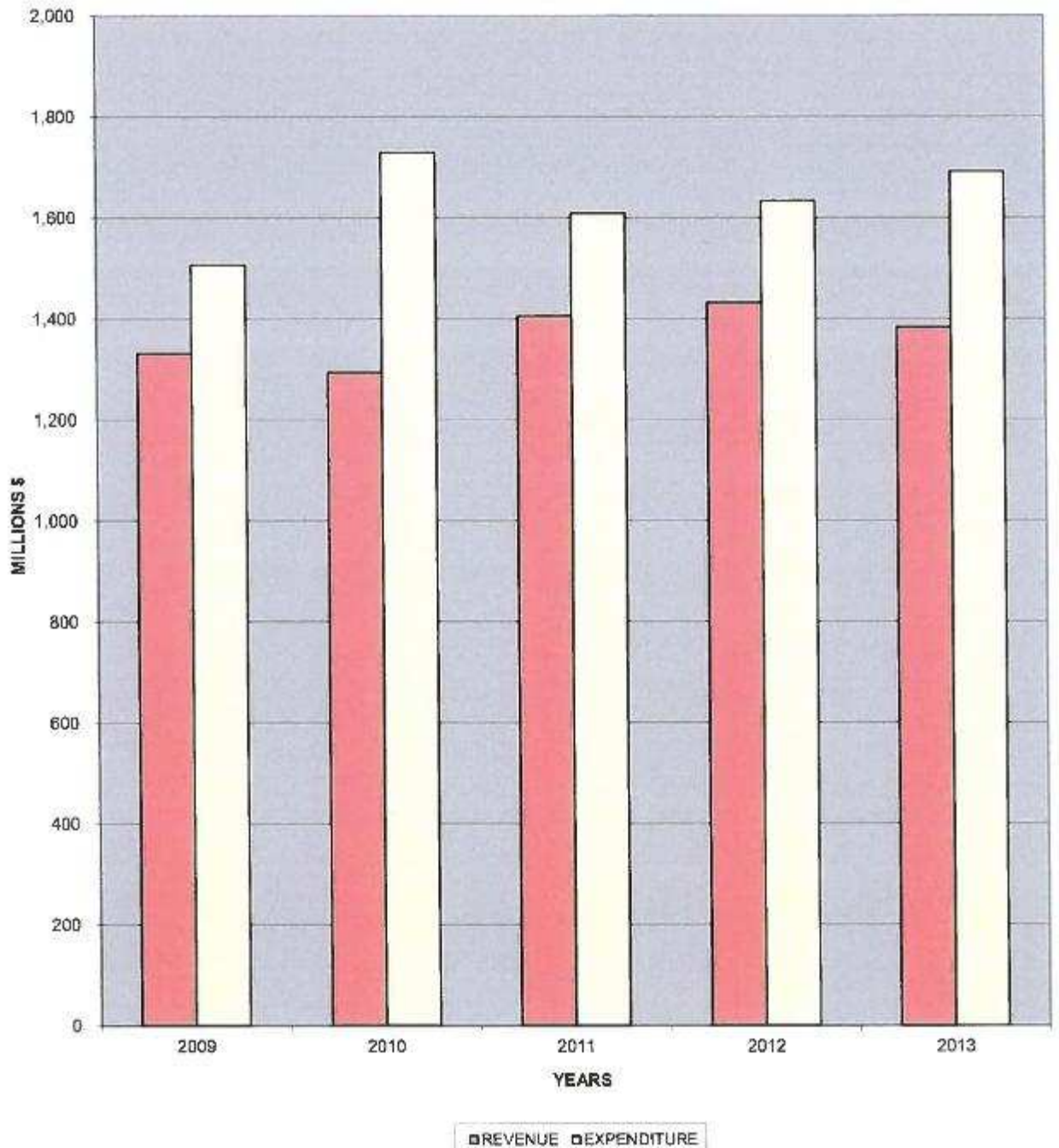
# THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

## REVENUE & EXPENDITURE FOR YEAR ENDED 30 JUNE, 2013



THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

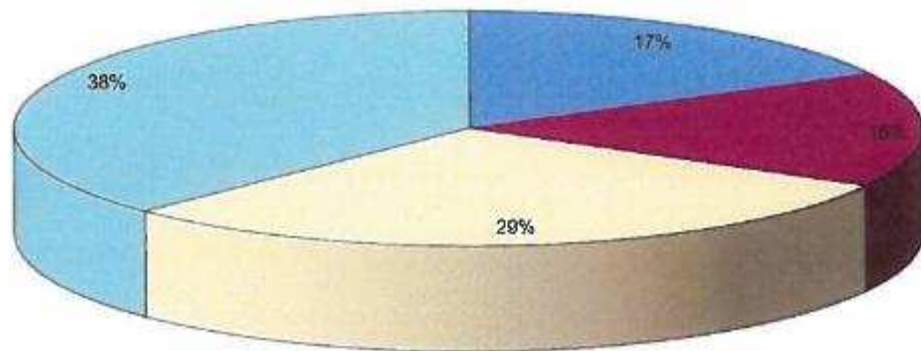
REVENUE & EXPENDITURE FOR FIVE (5) YEAR PERIOD 2009-2013



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# THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

## PIE CHART OF EXPENDITURE FOR YEAR ENDED 30 JUNE, 2013



■ CAPITAL DEVELOPMENT ■ PUBLIC DEBT ■ PERSONAL EMOLUMENTS ■ OTHER CHARGES



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## Annex 9

### Statement of Financial Assets & Current Liabilities (Deposit Fund Account)

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THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

**STATEMENT NO: 7**  
**STATEMENT OF FINANCIAL ASSETS AND CURRENT LIABILITIES AS AT 30 JUNE 2013**  
**(DEPOSITS FUND)**

	Notes	As at 30-Jun-2013 B\$	As at 30-Jun-2012 B\$
<b>FINANCIAL ASSETS</b>			
Cash and Domestic Bank Balances	(22)	65,804,104	51,495,768
Fixed Deposits	(16a)	215,345	210,698
Dishonoured Cheques	(15)	990,035	1,007,734
Investments	(16)	47,800	47,800
<b>TOTAL FINANCIAL ASSETS</b>		<b>67,057,284</b>	<b>52,762,000</b>
<b>CURRENT LIABILITIES &amp; EQUITY</b>			
Fund Balance		67,057,284	52,762,000
<b>TOTAL CURRENT LIABILITIES &amp; EQUITY</b>		<b>67,057,284</b>	<b>52,762,000</b>

**STATEMENT NO: 8**  
**STATEMENT OF CHANGES IN DEPOSIT FUND BALANCES FOR YEAR ENDED 30-JUNE-2013**  
**(DEPOSITS FUND)**

	Notes	Financial Year Ended 30-Jun-2013	Financial Year Ended 30-Jun-2012	Net Change in Fund Balance
<b>Balance as at 1st July 2012</b>		(52,762,000)	(43,518,742)	9,243,258
<b>Receipts</b>				
Cash Transfers in (see statement no: 8)		(59,407,662)	(21,498,242)	37,909,420
<b>Sub-Total</b>		<b>(112,169,662)</b>	<b>(65,016,984)</b>	<b>47,152,678</b>
<b>Payments</b>				
Cash Transfers out (see statement no: 8)		45,112,379	12,254,983	(32,857,396)
<b>Balance as at 30 June 2013</b>		<b>(67,057,283)</b>	<b>(52,762,001)</b>	<b>14,295,282</b>



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# **Annex 10**

## **Schedule of Cash Movement in Deposit Fund by Account Categories**

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THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

**STATEMENT NO: 9**

**SCHEDULE OF CASH MOVEMENT IN DEPOSIT FUND BY ACCOUNT CATEGORIES FOR YEAR ENDED 30-JUNE-2013**

	<b>Transfers In</b>	<b>Transfers Out</b>	<b>Net Movement</b>
Cash Imprests Family Island	2,094,772	2,591,135	(496,362)
Advances Ministries & Departments	232,370	27,670	204,700
Advances Government Corporations	1,441,789	11,659	1,430,130
Postal Advances	67,855	2,712,242	(2,644,386)
Advances Other Jurisdictions	38,321	1,381	36,940
Advances General	144,768	2,581	142,187
Advances Special	1,314,927	1,179,992	134,935
Advances Personal	17,421	0	17,421
Advance to Other Funds	2,987,454	0	2,987,454
Stores Inventory	2,349,484	3,358,144	(1,008,660)
Undistributed Foreign exchange	17,618,600	4,685,473	12,933,127
Collections (undistributed)	0	9,633,610	(9,633,610)
Unclaimed cheques	503,204	677,553	(174,349)
Depository Liabilities Ministries & Departments	5,671,721	5,182,733	488,988
Depository Liabilities Government Corporations	113,701	1,002,208	(888,507)
Postal Deposits	6,778,641	6,224,198	554,443
Depository Liabilities General	6,143,795	6,735,346	(591,551)
Depository Liabilities Special	119,287	17,551	101,736
Depository Liabilities Land Acquisition	27,348	0	27,348
Depository Liabilities Payable	11,742,204	1,068,905	10,673,298
<b>Total</b>	<b>59,407,662</b>	<b>45,112,379</b>	<b>14,295,283</b>



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# Annex 11

## Statement of Contingent Liabilities





THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
STATEMENT OF CONTINGENT LIABILITIES  
AS AT JUNE 30th, 2013

LOANS	AMOUNT OF LOAN AUTHORIZED BY LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 29/06/2013	AMOUNT OUTSTANDING AS AT 30/06/2012	AMOUNT OUTSTANDING AS AT 29/06/2013	REMARKS
1) BAHAMASAIR	72,450,000	72,450,000	72,235,509	214,491	214,491	
2) BAHAMAS DVL/PMT. BK.	82,535,293	80,861,845	23,015,645	59,688,377	57,846,200	
3) BAHAMAS ELECTRICITY CORP.	300,600,000	288,282,151	91,044,892	202,512,259	197,237,259	
4) BAHAMAS TELECOMMUNICATION	109,000,000	109,000,000	109,000,000	0	0	
5) CLIFTON HERITAGE	24,000,000	24,000,000	0	24,000,000	24,000,000	
6) THE AIRPORT AUTHORITY	51,000,000	51,000,000	10,154,160	43,045,840	40,845,840	
7) THE BRIDGE AUTHORITY	28,000,000	28,000,000	0	28,000,000	28,000,000	
8) THE EDUC. LOAN AUTHORITY	107,626,570	107,626,570	40,626,570	67,000,000	67,000,000	
9) THE HOTEL CORPORATION	5,749,000	5,749,000	5,749,000	0	0	
10) THE MORT. CORPORATION	166,300,000	166,300,000	14,500,000	151,800,000	151,800,000	
11) WATER & SEWERAGE CORP.	41,741,060	48,733,060	36,156,545	14,717,027	12,576,515	
<b>TOTAL</b>	<b>989,001,923</b>	<b>982,002,626</b>	<b>402,482,322</b>	<b>590,977,994</b>	<b>579,520,304</b>	

THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
STATEMENT OF CONTINGENT LIABILITIES  
AS AT JUNE 30th, 2013

LOANS	AMOUNT OF LOAN AUTHORIZED BY LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 29/06/2012	AMOUNT OUTSTANDING AS AT 29/06/2012	REMARKS
<b>BAHAMASAIR HOLDINGS LIMITED</b>					
BANK OF THE BAHAMAS	1,100,000	1,100,000	885,509	214,491	
ROYAL BANK OF CANADA	20,000,000	20,000,000	20,000,000	0	
	5,000,000	5,000,000	5,000,000	0	
SCOTIA BANK	7,250,000	7,250,000	7,250,000	0	
	3,400,000	3,400,000	3,400,000	0	
NATIONAL INSURANCE	6,000,000	6,000,000	6,000,000	0	
RBC	3,200,000	3,200,000	3,200,000	0	
	10,500,000	10,500,000	10,500,000	0	
CITIBANK	16,000,000	16,000,000	16,000,000	0	
<b>TOTAL</b>	<b>72,450,000</b>	<b>72,450,000</b>	<b>72,235,509</b>	<b>214,491</b>	

THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
STATEMENT OF CONTINGENT LIABILITIES  
AS AT JUNE 30th, 2013

Statement No: 10

LOANS	AMOUNT OF LOAN AUTHORIZED BY LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 29/06/2012	AMOUNT OUTSTANDING AS AT 29/06/2012	REMARKS
<b>BAHAMAS DEVELOPMENT BANK</b>					
CARIBBEAN DVLPMT BANK (6TH LINE)	10,000,000	10,000,000	8,646,285	1,353,715	
EUROPEAN ECONOMIC COMMUNITY	535,293	535,293	270,885	264,408	
BDB - SERIES A & B BONDS	25,000,000	25,000,000	0	25,000,000	
BDB - SERIES C & D BONDS	25,000,000	25,000,000	0	25,000,000	
IADB 720/OC-BH	7,000,000	5,326,552	4,600,204	726,348	
CARIBBEAN DEVELOPMENT BANK (3RD LINE)	7,000,000	7,000,000	6,648,271	351,729	
CENTRAL BANK #2 (\$3M)	3,000,000	3,000,000	2,100,000	900,000	
CENTRAL BANK #2 (\$5M)	5,000,000	5,000,000	750,000	4,250,000	
<b>TOTAL</b>	<b>82,535,293</b>	<b>80,861,845</b>	<b>23,015,645</b>	<b>57,846,200</b>	

THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
STATEMENT OF CONTINGENT LIABILITIES  
AS AT JUNE 30th, 2013

LOANS	AMOUNT OF LOAN AUTHORIZED BY LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 29/06/2012	AMOUNT OUTSTANDING AS AT 29/06/2012	REMARKS
<b>BAHAMAS ELECTRICITY CORP.</b>					
IADB LOAN (#964)	56,000,000	43,682,151	43,682,151	0	
NATIONAL INSURANCE BOARD \$10M	10,000,000	10,000,000	10,000,000	0	
EUROPEAN INVESTMENT BANK	23,600,000	23,600,000	22,592,741	1,007,259	
SBL, CIT, FCB, RBC, BOB	211,000,000	211,000,000	14,770,000	196,230,000	\$128 Refinanced
<b>TOTAL</b>	<b>300,600,000</b>	<b>288,282,151</b>	<b>91,044,892</b>	<b>197,237,259</b>	

THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
 STATEMENT OF CONTINGENT LIABILITIES  
 AS AT JUNE 30th, 2013

LOANS	AMOUNT OF LOAN AUTHORIZED BY LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 29/06/2012	AMOUNT OUTSTANDING AS AT 29/06/2012	REMARKS
<b>BAHAMAS TELECOMMUNICATIONS COMPANY LIMITED</b>					
FIRST CARIBBEAN BK.	27,000,000	27,000,000	27,000,000	0	DSL LOAN
FIRST CARIBBEAN BK.	22,000,000	22,000,000	22,000,000	0	GSN LOAN
CITIBANK / FCIB / SCOTIA	60,000,000	60,000,000	60,000,000	0	BDSN LOAN
<b>TOTAL</b>	<b>109,000,000</b>	<b>109,000,000</b>	<b>109,000,000</b>		

Statement No: 10

THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
STATEMENT OF CONTINGENT LIABILITIES  
AS AT JUNE 30th, 2013

LOANS	AMOUNT OF LOAN AUTHORIZED BY LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 29/06/2012	AMOUNT OUTSTANDING AS AT 29/06/2012	REMARKS
<b>CLIFTON HERITAGE AUTHORITY</b>					
BGRS	24,000,000	24,000,000	0	24,000,000	Resolution House of Asmbly
<b>TOTAL</b>	<b>24,000,000</b>	<b>24,000,000</b>	<b>0</b>	<b>24,000,000</b>	
<b>THE AIRPORT AUTHORITY</b>					
RBC \$40M AIR SIDE IMPRVMT PROJECT	40,000,000	40,000,000	2,454,160	37,545,840	Resolution House of Asmbly
RBC US\$11M LOAN	11,000,000	11,000,000	7,700,000	3,300,000	
<b>TOTAL</b>	<b>51,000,000</b>	<b>51,000,000</b>	<b>10,154,160</b>	<b>40,845,840</b>	

THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
STATEMENT OF CONTINGENT LIABILITIES  
AS AT JUNE 30th, 2013

LOANS	AMOUNT OF LOAN AUTHORIZED BY LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 29/06/2012	AMOUNT OUTSTANDING AS AT 29/06/2012	REMARKS
<b>THE BRIDGE AUTHORITY</b>					
BGRS	28,000,000	28,000,000	0	28,000,000	
	<u>28,000,000</u>	<u>28,000,000</u>	<u>0</u>	<u>28,000,000</u>	
<b>THE EDUCATION AUTHORITY</b>					
VARIOUS BKS - SERIES A,B,C BDS	100,000,000	100,000,000	33,000,000	67,000,000	Resolution House of Asmbly
BDB EDUCATIONAL GUARANTEE FUND	7,626,570	7,626,570	7,626,570	0	
<b>TOTAL</b>	<u>107,626,570</u>	<u>107,626,570</u>	<u>40,626,570</u>	<u>67,000,000</u>	
<b>THE HOTEL CORPORATION</b>					
OVERDRAFT FACILITY	500,000	500,000	500,000	0	Resolution House of Asmbly
GRD. WATER & ENVIRONMENTAL SERVICES	5,249,000	5,249,000	5,249,000	0	
<b>TOTAL</b>	<u>5,749,000</u>	<u>5,749,000</u>	<u>5,749,000</u>	<u>0</u>	



THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
STATEMENT OF CONTINGENT LIABILITIES  
AS AT JUNE 30th, 2013

LOANS	AMOUNT OF LOAN AUTHORIZED BY LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 29/06/2012	AMOUNT OUTSTANDING AS AT 29/06/2012	REMARKS
<b>THE MORTGAGE CORPORATION</b>					
SERIAL BONDS	166,300,000	166,300,000	14,500,000	151,800,000	
	166,300,000	166,300,000	14,500,000	151,800,000	
<b>WATER &amp; SEWERAGE CORP.</b>					
IADB-1112/OC-BH LOAN	14,000,000	14,000,000	7,920,103	6,079,897	Resolution House of Asmby
FAMILY ISLAND PORTABLE WATER					
CDB LOAN #1	3,245,060	3,237,060	3,237,060	0	Resolution House of Asmby
CDB LOAN #2	4,500,000	4,500,000	4,500,000	0	Resolution House of Asmby
NATIONAL INSURANCE BOARD LOAN #1	4,296,000	4,296,000	4,296,000	0	Resolution House of Asmby
NATIONAL INSURANCE BOARD LOAN #2	1,200,000	1,200,000	0	1,200,000	Resolution House of Asmby

Statement No: 70

THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS  
STATEMENT OF CONTINGENT LIABILITIES  
AS AT JUNE 30th, 2013

LOANS	AMOUNT OF LOAN AUTHORIZED BY LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 29/06/2012	AMOUNT OUTSTANDING AS AT 29/06/2012	REMARKS
<b>WATER &amp; SEWERAGE CORP.</b>					
CONTINUED.....					
ECU 8,500,000	7,000,000	14,000,000	9,896,566	4,103,434	Resolution House of Asmbly
EUROPEAN INVESTMENT BANK					
CARIBBEAN DVL.PMT. BANK	7,500,000	7,500,000	6,306,816	1,193,184	Resolution House of Asmbly
LOAN #3					
	41,741,060	48,733,060	36,156,545	12,576,515	





