

SCHEDULE

THE CONSTITUTION OF ST HELENA, ASCENSION AND TRISTAN DA CUNHA

CHAPTER 2

ASCENSION

PART 8

PUBLIC FINANCE

Taxation

165.—(1) No tax, rate or other similar levy shall be imposed except under the authority of an Ordinance.

(2) Where an Ordinance referred to in subsection (1) confers powers on any person or authority, other than the Governor, to waive or vary a tax imposed by that law, that person or authority shall report to the Governor on the exercise of those powers as often as shall be determined by law but not less than annually.

Consolidated Fund

166.—(1) There shall be a Consolidated Fund into which shall be paid all revenues or other moneys raised or received by and for the purposes of the Government of Ascension.

(2) The revenues or other moneys referred to in subsection (1) shall not include revenues or other moneys that are payable by or under an Ordinance into some other fund established for a specific purpose.

Withdrawal from Consolidated Fund or other public account

167.—(1) No moneys shall be withdrawn from the Consolidated Fund except—

- (a) to meet expenditure charged on the Fund by this Constitution or by an Ordinance; or
- (b) where the issue of those moneys has been authorised by an Appropriation Ordinance, a Supplementary Appropriation Ordinance, or as provided in section 170 or 171.

(2) No moneys shall be withdrawn from any public fund of Ascension other than the Consolidated Fund, unless the issue of those moneys has been authorised by or under an Ordinance.

Annual Estimates

168.—(1) The Director of Financial Services shall cause to be prepared and presented to the Governor before the beginning of each financial year (or as soon as practicable thereafter) Estimates of revenue and expenditure of the Government of Ascension for that financial year.

(2) Before presenting the Estimates to the Governor under subsection (1), the Director of Financial Services shall present the Estimates to the Island Council for any advice it may wish to give in relation to them.

(3) Notwithstanding subsection (1), the Director of Financial Services may cause to be prepared and presented to the Governor and the Island Council—

- (a) fiscal and monetary programmes and plans for economic and social development;
- (b) estimates of revenue and expenditure covering periods exceeding one year; and

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- (c) estimates of non-financial outputs.

Draft Appropriation Ordinance

169. The Director of Financial Services shall present to the Governor a draft Appropriation Ordinance which includes the heads of expenditure contained in the Estimates referred to in section 168(1) (other than expenditure authorised by this Constitution or any other law) to authorise the issue from the Consolidated Fund of the sums necessary to meet that expenditure and to appropriate those sums for the purposes specified in the draft Ordinance.

Authorisation of expenditure in advance of appropriation

170.—(1) Subject to subsection (3), if the Appropriation Ordinance for any financial year has not come into force by the beginning of that financial year, the Governor may, by directions in writing, empower the Director of Financial Services to authorise, consistently with any law, the withdrawal of moneys from the Consolidated Fund, or any other fund established by or under an Ordinance for a specific purpose, in order to meet expenditure necessary to carry on the services or projects of the Government of Ascension, until—

- (a) the expiration of four months from the beginning of that financial year; or
- (b) the coming into force of the Appropriation Ordinance for that financial year,

whichever is the earlier.

(2) Any amounts authorised to be withdrawn under subsection (1) shall be set off against the amounts provided in the Appropriation Ordinance in respect of that expenditure.

(3) Any amounts authorised to be withdrawn from the Consolidated Fund under subsection (1) shall be restricted to one third of the aggregate of the sums provided for in the Appropriation Ordinance and any Supplementary Appropriation Ordinance for the previous financial year.

Special Warrants

171.—(1) The Governor, if satisfied that there is an urgent and unforeseen need for expenditure for which no other provision exists, may issue a Special Warrant authorising the Director of Financial Services to make payments to meet that expenditure out of the Consolidated Fund, up to the amount specified in the warrant; and such warrant shall constitute an appropriation of that amount.

(2) The Director of Financial Services shall inform the Island Council of every Special Warrant within ten days of the date of its issue.

Withdrawal Warrants

172.—(1) The Governor, if satisfied that financial exigencies so require, may issue a Withdrawal Warrant authorising the limitation or suspension of appropriated expenditure, to the extent specified in the warrant.

(2) The Director of Financial Services shall inform the Island Council of every Withdrawal Warrant within ten days of the date of its issue.

Supplementary Estimates

173. If in the course of any financial year it is found that the amount appropriated for any purpose is insufficient or that a need has arisen for expenditure for a purpose for which no amount has been appropriated, a supplementary Estimate showing the sums required shall be presented to the Governor and the Island Council by the Director of Financial Services; and the heads of expenditure contained in that Estimate shall be included in a draft Ordinance, to be known as a

draft Supplementary Appropriation Ordinance, which shall be presented to the Governor to provide for the issue from the Consolidated Fund of the sums necessary to meet that expenditure and the appropriation of those sums for the purposes specified in the draft Ordinance.

Excess expenditure

174.—(1) Where at the close of accounts for any financial year it is found that moneys have been expended on any expenditure in excess of the amount appropriated for it or for a purpose for which no moneys have been appropriated, the amount of excess expended, or not appropriated, as the case may be, shall be included in a statement of expenditure in excess which shall be presented to the Governor and the Island Council by the Director of Financial Services.

(2) The Governor may, by directions in writing, allow the excess or the amount expended but not appropriated to stand charged to public funds.

Lapse of appropriations

175. The appropriations made by the Appropriation Ordinance or a Supplementary Appropriation Ordinance or by a Special Warrant issued under section 171 in respect of a financial year shall lapse at the end of that financial year, unless otherwise provided by Ordinance.

Public debt

176.—(1) All debt charges for which the Government of Ascension is liable shall be a charge on the Consolidated Fund.

(2) For the purposes of this section, debt charges include interest, the repayment or amortisation of debt, and the costs, charges and expenses incidental to the management of debt.

Annual statement of accounts

177.—(1) The Director of Financial Services shall, as soon as practicable after the end of each financial year, and in accordance with such other requirements as may be prescribed by a law—

- (a) cause to be prepared for submission to the auditor a statement of accounts reflecting the financial operations of the Consolidated Fund and any other public fund or account for that financial year; and
- (b) submit the annual statement of accounts to the auditor.

(2) The auditor, in accordance with such other requirements as may be prescribed by a law, shall audit the annual statement of accounts within six months of receiving it (or such longer period as the Governor may authorise in exceptional circumstances), and shall return it, together with the auditor's report and annual management letter, to the Director of Financial Services.

(3) The Director of Financial Services shall present to the Governor and the Island Council the audited annual statement of accounts and its attachments received under subsection (2) within ten days of receiving them.

(4) In this section, "auditor" means the person or authority conducting an audit pursuant to arrangements made by the Governor under section 178(1).

Audit

178.—(1) The Governor shall make appropriate arrangements for the audit of the public accounts of Ascension and of all courts of Ascension and all authorities and offices of the Government of Ascension; and any person or authority conducting such an audit shall have access to all books, records, reports and other documents relating to those accounts.

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(2) Any person or authority conducting an audit pursuant to subsection (1) shall act independently and shall not be subject to the direction or control of the Governor, the Island Council or any other person or authority.

Borrowing or lending by Government of Ascension

179.—(1) Subject to this Constitution, the Government of Ascension may borrow from any source.

(2) The Government of Ascension shall not issue a guarantee or indemnity nor raise a loan on behalf of itself or any other public institution, authority or person except—

- (a) as authorised by or under an Ordinance; and
- (b) in accordance with any borrowing guidelines agreed with Her Majesty’s Government in the United Kingdom.

(3) An Ordinance referred to in subsection (2)(a) shall provide that the terms and conditions of the guarantee, indemnity or loan shall be laid before the Island Council for any advice it may wish to give on the matter.

(4) The Director of Financial Services shall, at such times as the Island Council may determine, cause to be presented to the Council such information concerning any loan as is necessary to show—

- (a) the extent of the total indebtedness by way of principal and accumulated interest;
- (b) the provision made for servicing or repayment of the loan; and
- (c) compliance with the terms of the loan.

(5) For the purposes of this section, the expression “loan” includes any money lent or given to or by the Government of Ascension on condition of return or repayment and any other form of borrowing or lending in respect of which—

- (a) moneys from the Consolidated Fund or any other public fund may be used for payment or repayment; or
- (b) moneys from any fund by whatever name called, established for the purposes of payment or repayment whether in whole or in part and whether directly or indirectly, may be used for payment or repayment.