



DEPARTMENT OF THE AUDITOR GENERAL
P. O. BOX N-3027
NASSAU, BAHAMAS
Phone Nos. 242-322-2521/323-8939/326-6015

DAG/T.11/3/5

Reference No.....

**The Honourable Speaker
House of Assembly
Nassau, Bahamas**

October 7, 2013

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, 2011.

Sincerely,

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

TSB/slt

MEMORANDUM

MINISTRY OF FINANCE

To: Auditor General
Auditor General's Department
Nassau, Bahamas

Your reference:


Our reference: FIN.1606.21

Date: 30th May, 2013

RE: TREASURY PROVISIONAL ACCOUNTS FOR THE
YEAR ENDED 30TH JUNE, 2011

In accordance with Section 27 (2) of the Financial Administration and Audit Act, I hereby transmit to you the Treasury Provisional Accounts and Confiscated Assets Financial Statements for the year ended 30th June, 2011.

2. The Accounts have been examined by the Internal Audit Unit of this Ministry and the Unit's report is available for your perusal.


John A. Rolle
FINANCIAL SECRETARY

JAR/mec

ADKNOWLEDGEMENT AND APPRECIATION

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

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

Internal Control Weaknesses

There are weaknesses in the internal control relative to Revenue and Expenditure.

Access to Audit Information

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

Some public officers are not being held accountable for their actions, which result in loss or wastage of government funds.

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 System (IFMIS)

As the budget of the Government of the Bahamas expands, its workload also increases. Consequently, there is an increase in the number of financial transactions and daily decisions that the government has to make. Subsequently, the Government should consider supporting the implementation of an Integrated Financial Management System (IFMIS). Much documented evidence exists to support the use of IFMI, as a main component of financial reforms to promote efficiency, security of data management and comprehensive financial reporting.

The benefits of IFMIS are many. Integration of IFMIS would

- (i) Provide an integrated computerized financial package to enhance the effectiveness and transparency of public resource management and accounting systems for the government.*
- (ii) Support procurement management, asset management, human resource, payroll and other areas within the government financial systems,*
- (iii) Ensure that all users adhere to established standards and procedures with the view to reduce the risks of mismanagement of public funds,*
- (iv) Improve budget planning and execution by providing timely and accurate data to be used in decision making, and*
- (v) Assist in strengthening the efficiency of financial controls by making comprehensive, reliable and timely financial information available to the Auditor General and Parliament of the Bahamas.*

There are many other benefits of implementing an Integrated Financial Management System. Overall, IFMIS improves accounting, recording and reporting practices, and assists in producing automatic bank reconciliations. The experience of implementing IFMIS in various countries has shown that it is costly and time consuming. However, when completed and functioning properly, the benefits of IFMIS far outweigh its costs.

REPORT OF THE AUDITOR GENERAL

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Constitutional Provisions

Chapter 1

SECTION ONE CONSTITUTIONAL PROVISIONS

Establishment of Office:

Article 136(1) of The Constitution states:

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

Mandate:

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:

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:

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

Chapter 2

SECTION TWO

AUDIT APPROACH & SIGNIFICANT ACCOUNTING POLICIES

Audit Approach

- 2.01 In order to express a professional opinion on the financial statements of the Government of the Commonwealth of The Bahamas, audits are carried out in accordance with generally accepted auditing standards. 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 basis of Fund Accounting principles promulgated by the Legislature. Financial transactions recorded are those of the Consolidated Fund Cash inflow and outflow.
- 2.04 The cash basis of accounting is used to record all transactions except cheques received from the public and subsequently dishonoured which are carried as receivable until honoured. Revenue and expenditure are recorded when received and made respectively, without regard to the period to which they apply.
- 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

Chapter 3

SECTION THREE

ADMINISTRATIONS & PERSONNEL

3.01 The fiscal year 2010/2011 heralded the eighty-sixth (86th) 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
Sr. Deputy Auditor General | - | Acted as Auditor General for the period 29 – 30 July, 2010. |
| | Mrs. Portia Barnett
Deputy Auditor General | - | Acted as Auditor General for the period July 31 – August 20, 2010. |
| | Mr. Roger Forbes
Sr. Deputy Auditor General | - | Acted as Auditor General for the period November 20 – 29, 2010. |
| | Mr. Roger Forbes
Sr. Deputy Auditor General | - | Acted as Auditor General for the period December 8 – 15, 2010. |
| | Mr. Roger Forbes
Sr. Deputy Auditor General | - | Acted as Auditor General for the period December 20, 2010 - January 3, 2011. |
| | Mrs. Cynthia Rolle
Deputy Auditor General | - | Acted as Auditor General for the period April 10 – 16, 2011. |
| | Mr. Roger Forbes
Sr. Deputy Auditor General | - | Acted as Auditor General for the period April 17 – 20, 2011. |

Unpaid Leave

- | | | | |
|------|-------------|---|-------------------------------|
| 3.03 | John Pinder | - | Unpaid Leave with effect from |
|------|-------------|---|-------------------------------|

Cyprianna Curtis

- October 2002 as President of The Bahamas Public Service Union.
- Redeployed to the Ministry of National Security, Parliamentary Registration Department with effect from September 22, 2010.

Local Training Administered To Staff During the Year

Training Body/Trainer

- | | | | |
|------|--|---|--|
| 3.04 | Enhancing Financial Management & Accountability in the Public Sector Workshop. | - | Ministry of Finance & Treasury Department |
| | Youth Seminar | | Bahamas Public Services Union. |
| | Leadership & Team Building Seminar | - | Public Service Centre for Human Resource Development. |
| | Pre-Retirement Seminar | - | Public Service Centre for Human Resource Development. |
| | Empowering Young Workers to Enhance the Public Service Through Quality Performance | - | Bahamas Public Service Union. |
| | IDEA Training | - | SYMPTAI Consulting Ltd. in Conjunction with Office of the Auditor General. |

International Meetings

- | | | | |
|------|------------------------|---|---|
| 3.05 | XX Congress of INTOSAI | - | International Association Of Supreme Audit Institution (INTOSAI), South Africa. |
|------|------------------------|---|---|

Commonwealth Secretariat Meeting	-	Barbados
Meeting of the Board of External Auditors	-	Organization of American States, Washington, DC
20 th Commonwealth Auditors General Conference	-	Caribbean Organization of Supreme Audit Institutions (CAROSAI), Bermuda

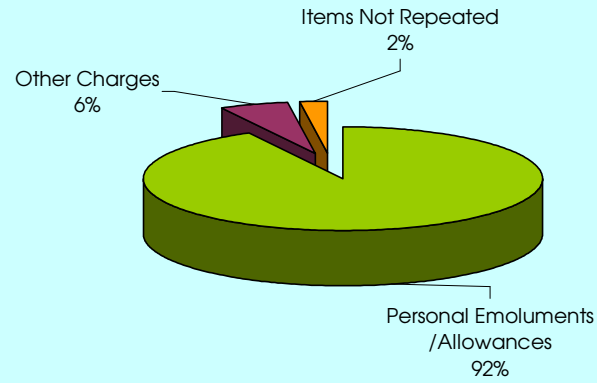
3.06 The Office of the Auditor General's staff composition as at June 30, 2011 is as follows:

POST	Number of Staff	Authorized	Vacancy
Administration			
Auditor General	1	1	0
Sr. Deputy Auditor General	1	1	0
Deputy Auditor General	3	3	0
Assistant Auditor General	2	2	0
Audit			
Accounting & Audit Officer III	9	11	2
Accounting & Audit Officer IV	8	15	7
Assistant Accounting & Audit Officer	8	9	1
Trainee Accounting & Audit Officer	2	6	4
Chief Audit Clerk	4	4	0
Senior Audit Clerk	5	6	1
Senior Clerk	1	1	0
Support Staff			
Executive Officer	1	0	-1
Office Manager III	1	1	0
Janitress	1	1	0
Total:	48	61	13

3.07 Total Expenditure for the fiscal year ended June 30, 2011 compared with Expenditure for 2009/2010 are as follows:

	2010/2011 Estimated Expenditure \$	2010/2011 Actual Expenditure \$	2009/2010 Actual Expenditure \$
Personal Emoluments/Allowances	1,847,350.00	1,690,302.00	1,689,609.00
Other Charges	134,443.00	104,539.00	192,424.00
Items Not Repeated	0.00	39,834.00	5,815.00
Total	\$1,981,793.00	\$1,834,675.00	\$1,887,848.00

2010/2011 Actual Expenditure

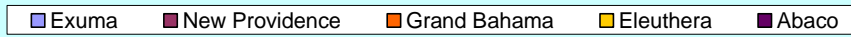
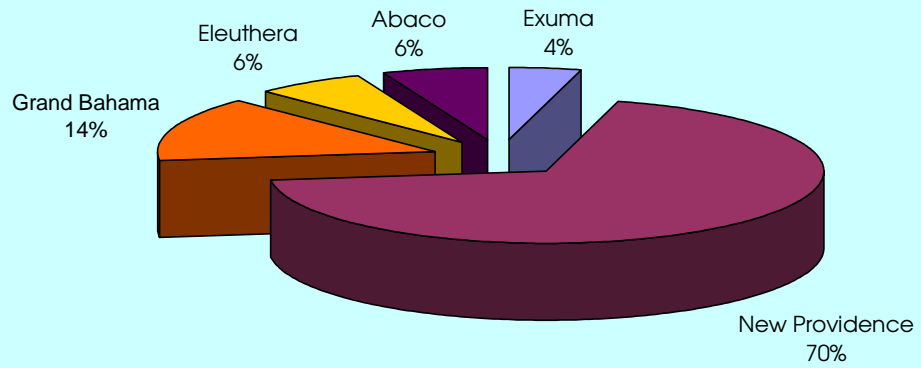


Personal Emoluments/Allowances
 Other Charges
 Items Not Repeated

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

Districts	Nos.	%
Exuma	2	4
New Providence	33	70
Grand Bahama	7	14
Eleuthera	3	6
Abaco	3	6
Total	48	100%

Regional Staff Assignment



Loan Programs

Chapter 4

SECTION FOUR LOANS PROGRAMS

LOANS PROGRAMS

New Providence Transport Program – LO-1988/OC-BH

4.01 In our opinion, the financial statements present fairly, in all material respects, the cash received and disbursements made and the cumulative investments for the Supplementary Financing for The New Providence Transport Program, as of and for the year ended June 30, 2011.

New Providence Transport Program LO-1320/OC-BH material respects, the cash received and disbursements made

4.02 In our opinion, the financial statements present fairly, in all and the cumulative investments for The New Providence Transport Program, as of and for the year ended June 30, 2011.

Special Projects

SECTION FIVE SPECIAL PROJECTS

Waste Management

5.01 In The Bahamas as elsewhere in the world, there is an increasing recognition and awareness of the need to monitor and manage waste. If waste is not handled in a satisfactory manner, it poses a great danger to the environment and to the health and well-being of human beings. Ultimately, the mishandling of waste and a dysfunctional waste management system can negatively impact the country's sustainable development. Conversely, waste can be re-used, recycled, used as fuel to generate energy and composted to further stimulate the economy by providing additional employment opportunities and generate revenue.

What is waste?

5.02 The International Supreme Audit Institution (INTOSAI), Working Group on Environmental Auditing has defined waste, "as a product or a substance that is no longer suited for its intended use". Waste can be classified as bulk waste, construction and demolition waste, solid waste, hazardous waste, green waste, white waste and clinical/medical waste.

Cruise Industry – Waste Management

5.03 During our study, we noted that storage facilities were provided by the Port Department for ships docked at Prince George Dock; Private waste management operators are contracted to remove garbage from vessels.

5.04 **We recommended that ongoing monitoring of the cruise industry waste be conducted to ensure that hazardous waste is not discarded in the landfill.**

Grand Bahama

- 5.05 Grand Bahama, known as the Industrial Center of the Bahamas, generates hazardous waste in the industrial zone. Hazardous waste if not managed properly can pose environmental concerns to the residents in the area due to the close proximity of homes, and may be connected to public safety issues such as respiratory problems and terminal diseases such as cancer.
- 5.06 According to information provided by the Public Analyst Laboratory, DEHS – Grand Bahama, we learnt that the management of hazardous waste materials generated may not yet be in full compliance with the international agreements and conventions recognized by The Bahamas Government.
- 5.07 **It is recommended that DEHS engage professionals to carry out periodic inspections in the industrialized zone to check for potential risk to residents and the environment and to take the necessary steps to ensure the safety of all concerned. We also recommended that a study be conducted around the industrial zone to determine how many persons may have been affected by the activities of the plants.**

Mortuary/Funeral Homes – Waste Management

- 5.08 During our interviews with three (3) funeral directors, we were advised that the funeral industry does not have standardized procedures, practices and legislation in place for regulating the industry. The DEHS has confirmed that inspections are only conducted whenever a complaint is lodged and during the annual licensing renewal period. We were otherwise satisfied that best practices were in place and adequate waste handling procedures and safety mechanisms were in operation.

- 5.09 **We recommended that proposed legislation be drafted for the funeral industry. We also recommended that the Ministry of Health and the DEHS periodically carry out inspection of funeral homes to ensure that environmental standards are maintained in the industry.**

Medical/Clinical Waste Management

- 5.10 We were satisfied that medical waste was properly stored in special receptacles and properly disposed of. Waste is collected by private waste contractors from the holding area at the Princess Margaret Hospital. The waste is incinerated in a dual chamber incinerator by a private contractor (Bahamas Waste) and the ashes are discarded at the landfill as a protective measure.
- 5.11 We were not satisfied with the arrangements in place for the collection of waste from Public Health Clinics in New Providence and the Family Islands. Waste generated in New Providence is being collected from clinics by the Transportation staff from the Department of Public Health and transported to the holding facility of PMH. In regards to Family Island clinics, waste is transported to New Providence via the mail boat and collected by the Transportation staff.
- 5.12 **We recommended that there be a review of the collection of waste from Public Health Clinics and that a comprehensive plan be developed for the collection and transportation of medical waste generated at clinics in New Providence and the Family Islands. In the interim, we recommended that waste generated in New Providence be collected directly from clinics by the private contractor in order to mitigate the potential risk and exposure to human beings and the environment.**

Derelict Vehicles

- 5.13 We noted that the DEHS was engaged in a proactive programme with respect to removing derelict vehicles from communities. One of the challenges faced was that the Director of DEHS has limited powers under the Derelict Vehicles Act and often times the department was unable to locate property owners whose vehicles were abandoned. We observed an increasing number of derelict vehicles which pose health problems as rodents and mosquitoes may reside in them. In addition, there is a growing concern that these vehicles may be used as hide-a-ways for illegal narcotics, firearms and a danger to young children who may also use them as hiding places.
- 5.14 **We recommended that consideration be given to having the Derelict Motor Vehicles (Disposal) Act amended to grant the Director the power to impose fines on offenders and property owners rather than having to go to court.**

Weigh Bridge Tipping Fees

- 5.15 Tipping fees are charges assessed for the weight/tonnage of waste disposed off at the landfill. The following is a breakdown of the fee structure for tipping fees:

<u>Weight of Load</u>	<u>Fee</u>
300 pounds or less	No charge
Between 300 and 999 pounds	\$5.00 per load
Between 1,000 and 1,999 pounds	\$10.00 per load
2,000 pounds (1 ton) or greater	\$10.00 per ton

- 5.16 Additional observations made were:
- Tipping fees revenue for the period July 2010 – June 2011 totaled \$1,002,244.27 as per the amounts indicated in the deposit log register;

- Tipping fees were introduced in March 2004 and since its inception there has been no revision of fees;
- The estimated/projected annual operating cost of the landfill is \$6,491,000;
- We noted that approval was granted to use the tipping fees revenue to pay authorized expenditures incurred at the landfill; and
- We noted that there were discrepancies in the total amounts indicated in the deposit log register and the journal inquiry.

5.17 **We recommended that a review of the fee structure be undertaken in an effort to increase the revenue potential in light of the increased costs associated with maintaining the landfill.**

Delinquent Accounts

5.18 We analyzed the monthly tipping fees report for credit customers for the period August 2010 to April 2011.

5.19 It was noted that the total amount due from credit customers at April 2011 amounted to \$1,407,937.29. The total payments received from the companies for the period under review totaled \$548,613.52.

5.20 **We recommended that the DEHS aggressively pursue credit customers in an effort to collect outstanding revenue.**

5.21 In the past, much has been done in terms of waste collection and disposal. In recent times there have been discussions with respect to adopting a holistic approach to landfill management and the direct linkage of waste-to-energy reform, but thus far this initiative has not materialized.

- 5.22 While many of the challenges facing the management of solid waste may be hampered by limited funding, it is paramount that the legislation be reviewed and amended. This action coupled with extensive public awareness and training is the key to implementing a more efficient and comprehensive waste management system.
- 5.23 The Department of Environmental Health Services should be commended for its efforts, despite the challenges, in managing the collection and disposal of waste.

Revenue & Expenditure

Chapter 6

SECTION SIX REVENUE & EXPENDITURE

Department of Environmental Health Services

Travel and Subsistence

6.01 While reviewing travel and subsistence reports to ensure that advances granted were cleared in accordance with prescribed guidelines, we noted that:

- a) Some travel reports only showed the total advances granted, i.e. no airline ticket stub nor hotel bills were found attached;
- b) Travel reports were not found for some advances which were indicated in the travel and subsistence register as having been cleared.

6.02 **In accordance with General Order 1437 and Treasury Circular No. 13/07 dated 27th August, 2007, we recommended that officers be advised of their obligation to clear all travel advances within 21 days after travel and that failure to comply with this request will render an officer unable to receive another advance before the previous one is cleared. In addition, non receipt of the clearance report could result in the funds advanced being deducted from the officer's salary.**

6.03 *Director's Response:*
Some Travel Reports were misfiled and later provided to the Auditor. The Department will ensure that Travel Advances are cleared within 21 days, otherwise another advance will not be granted/travel advance will be recovered from the officer's salary.

Telephone & Facsimile

6.04 We noted that managers and other staff members were provided with monthly cellular phone cards with bills amounting to \$9,928.05 during the period October 2009 to

- November 2011. It was also noted that some of these officers are stationed in office from 9 a.m. – 5 p.m. with access to land lines. Consequently we could not determine the reason for the exorbitant amount of money spent on phone cards.
- 6.05 **We recommended that an explanation be provided to show the necessity of officers being issued phones cards on a monthly basis when these officers have access to land phone lines. The authority for the expenditure of \$9,928.05 should be provided.**
- 6.06 *Director's Response:*
The Department of Environmental Health Services staff issued phone cards are all required to carry-out duties outside of the office. Additionally, the persons with responsibility for solid Waste, Roads & Parks and Family Islands are frequently required to contact the Director of Senior Deputy Director outside of normal work hours.
- 6.07 We noted payments made for domestic and international/overseas calls. However, our investigations revealed that the calls were made to private numbers.
- 6.08 **We recommended that the officers responsible for incurring bills relating to calls of an unofficial nature be requested to pay and that the evidence of payment be provided for audit review.**
- 6.09 *Director's Response:*
Fires, emergency clean-up, collections and critical issues on Family Islands are not scheduled and thus communication may not be possible at all times.

Other Contractual Services

- 6.10 During the course of our review, it was observed that contractual agreements were made between the Director of DEHS and various vendors for trucking services, roadsides and parks maintenance. We noted that contracts were approved

solely by the Director on behalf of the Government of The Bahamas. There was no indication that the Permanent Secretary was involved in the approval of any of the contracts seen.

6.11 To enhance transparency and accountability, we recommended that the director's authority to award contracts without the involvement of the Permanent Secretary be provided for audit review.

6.12 *Director's Response:*

The contracts though not signed by the Permanent Secretary were approved by the Ministry of the Environment via direct consultation with the Permanent Secretary and Minister of the Environment.

Operation Facility

6.13 During our review of payment vouchers, we noted that the business licences were obtained subsequent to contract end dates; and in a number of cases, contracts were not signed.

6.14 In an effort to enhance accountability and transparency, we recommended that an explanation be provided to show why the contracts were granted without the required business licenses; and in some cases not signed.

6.15 *Director's Response:*

Persons are allowed to obtain renewal of Business Licences to March 31. Persons contracted during the preceding year were given time to obtain the new Business Licence. The D.E.H.S. takes note of the point being made and will ensure that in future all persons present valid Business Licenses before contracts are issued.

6.16 According to documents presented to us, we noted that an Association was awarded a contract for daily pick up of litter and mowing of roadside lawn from Faith Avenue to Gladstone Road. No business license was found attached to the payment vouchers.

- 6.17 Further, a Construction Company was also awarded a contract to provide the same services at the same location during the period. We observed that there are no roadside lawns in the said vicinity.
- 6.18 **We recommended that justification be provided for the payments made.**
- 6.19 According to contracts found attached to payment vouchers, a weighbridge ticket was to be obtained for each waste deposit made. Copies of weighbridge tickets were not found attached to the payment vouchers and as a result, we were unable to determine whether the services paid for were performed.
- 6.20 **In an effort to promote accountability and transparency, we recommended that evidence be produced for audit review to show that the services paid for were performed.**
- 6.21 *Director's Response:*
Weighbridge tickets were received and submitted for all the listed vendors with the exception of two vendors who conducted curb painting. The inclusion of this requirement in their contract was an oversight.
- 6.22 During our scrutiny, we noted a myriad of payments made for contractual works, which quoted a Cabinet conclusion as the authority. The auditors requested site of the said ICN with a view to ensuring that the payments made were relevant to the Cabinet conclusion quoted. However, the ICN was not produced for our review.
- 6.23 **In an effort to determine whether the payments were authorized and to enhance transparency and accountability, we recommended that the relevant section of the Cabinet conclusion be made available for audit review.**

- 6.24 *Director's Response:*
The Cabinet Conclusion under which works conducted ICN (80) 41st Meeting indicated the provision of work.
- 6.25 While scrutinizing payment vouchers, we observed a number of payments made for repairs and maintenance of the weighbridge located at the New Providence Sanitary Landfill site.
- 6.26 While conducting a site visit on May 29, 2012, we observed that the 'out' section of the weighbridge was inoperable. We were advised that the 'out' section has not worked for approximately two (2) years and the 'in' section has functioned sporadically for the same period. We therefore could not determine whether the government received adequate value for the money spent.
- 6.27 **We therefore recommended that an explanation be provided to show why the exorbitant payments were made for the maintenance of a nonfunctional weighbridge.**
- 6.28 *Director's Response:*
The Weighbridge contract was originally \$10,000 and was reduced over time. The weighbridge constantly required repairs.

Ministry of Education School & Ministry of Health Contracts

- 6.29 According to documentation provided by the Ministry of Education, each school had its own ground maintenance staff paid by the Ministry and as a result, the payments made by the Department of Environmental Health Services were not necessary.
- 6.30 **In an effort to promote accountability and transparency, we recommended that justification be provided to show why monies were expended for the maintenance of school grounds when the Ministry of Education employs persons to perform the same duties.**

6.31 A payment voucher in the amount of \$9,500.00 was made payable for cleaning the following grounds in a community:

- primary school yard
- basketball court and soccer field
- volleyball court
- community clinic
- road from the entrance of Gambier to the basketball court

6.32 However, we were informed by the Ministry of Education and the Department of Public Health that their agencies already employ persons to carry out the above functions. As a result, we could not determine the legitimacy of this payment.

6.33 **It is recommended that justification be provided to show why it was necessary to hire a contractor to carry out the same functions that were being performed by monthly paid employees. In the absence of a credible explanation, we recommended that the funds expended (\$9,500.00) be recovered and brought to account and evidence be provided for audit review.**

6.34 *Director's Response:*

School yards have traditionally always been prepared for the start of school in the Fall by the Road & Park Division. Works conducted at the schools were at the request of the Ministry of Education and the directives of the Ministry of the Environment.

Maintenance Contractors

6.35 We noted that payments were made for the cleaning of Yamacraw Park. However, our investigation revealed that the payments were made to a full time employee of the Bahamas Government, having been employed since 15th February, 1988. We were advised by the Director of DEHS that contracts are not granted to employees or agents of the Government and as a result, we regard the payments as a conflict of interest.

- 6.36 **It is recommended that an explanation be provided to show why a public servant was issued a contract. In the absence of a credible explanation, we recommended that the funds expended be recovered and brought to account and evidence be provided for audit review.**
- 6.37 **We further recommended that the department include a background check as part of the vetting of contractors, to avoid conflict of interest.**
- 6.38 According to documents presented to us, a payment was made to Government employees for the maintenance of Quarry Mission Road Park and G. K. Symonette's Library.
- 6.39 Additionally, we noted the following:
- a) The contract was awarded to a full time employee of the Bahamas Government, which contravenes the terms and conditions set out in the attached contract, which states: "The Contractor for the purpose of this agreement shall not be servants or agents of the Government."
 - b) According to documentation provided by the Ministry of Education, and the interviews conducted, we were informed that there was no need for the granting of contractual work. Further, the Ministry of Education employees performed the duties of which was purported to have been carried out by other government employees.
- 6.40 We noted that two vendors were paid for maintenance of the same park during the same period.

6.41 In an effort to promote accountability and transparency, it is recommended that:

- a) Justification be provided to explain why two vendors were paid for maintaining Carmichael Road Park during the same period.

6.42 *Director's Response:*

The Director advised that one vendor maintained Carmichael Parks I and another vendor maintained Carmichael Park II.

Bidding

6.43 During the course of our audit, it was observed that a competitive bidding process/procedure was not carried out during the awarding of contracts, specifically trucking, roadside and park maintenance.

6.44 Our analysis of records provided revealed monthly contract payments as follows:

(1) <u>Roadside Contracts</u>	\$
2009/2010 approximately	167,400.00
2010/2011 approximately	<u>183,600.00</u>
TOTAL	<u>351,000.00</u>

(2) <u>Small Scale Park Maintenance Contracts</u>	\$
2009/2010 approximately	125,600.00
2010/2011 approximately	<u>124,400.00</u>
TOTAL	<u>249,600.00</u>

TOTAL PAYMENTS **\$ 600,600.00**

6.45 Based on this analysis and payments reviewed, we further observed that an exorbitant amount of funds were being expended on trucking, roadside and park maintenance contracts.

- 6.46 We enquired about the selection process for contractors, we were advised by the Director that vendors were chosen from a list which the Ministry have in its possession. In the absence of competitive bids being sought, we could not determine whether the Government received value for money.
- 6.47 **The practice of open bidding ensures that there is equity, accountability and transparency in the awarding of contracts.**

It is therefore recommended that:

- a) **the approved list from which vendors were selected be produced for audit review; and**
 - b) **a competitive bidding process for the selection of contractors be implemented.**
- 6.48 Contractual work/services undertaken normally require a substantial amount of public expenditure, and as a result, it is our view that good practices and procedures are of paramount importance if proper execution of projects are to be guaranteed.
- 6.49 We consider the awarding of contracts without the inclusion of the open bidding process to lack transparency; and therefore we could not vouch that all payments made were legitimate, i.e. that government receive value for money.

The Ministry of Public Works

Fueling System Invoice Amount Verification

- 6.50 We reviewed a sample of invoices from November 04, 2009 to March 24, 2011 and compared them with the resulting figures before and after dips were calculated. A number of invoices showed a variance that was considered too high or over the one percent. Examples are as follows:

Date	Invoice Numbers(s)	Products	Quantity (U S Gals.)	Dip Amt. In Gals.	Difference in Gals.	Variance
06-09-10	494895	Diesel	\$ 3,000.00	\$ 2,594.00	\$ 406.00	13.50%
22-11-10	498201	Mogas	\$ 6,000.00	\$ 5,855.00	\$ 145.00	2.40%
12-11'11	500687	Mogas	\$ 6,000.00	\$ 5,810.00	\$ 190.00	3.20%
TOTAL					\$ 741.00	

6.51 **We recommended that a provision be included in future contracts for suppliers to credit the Ministry with any short fall in delivery that is more than 1%.**

Loss/Gain Report

6.52 A daily loss/gain report is not being maintained with respect to the fueling system. However, the system could be upgraded to produce a monthly or periodic report.

6.53 **We recommended that the system be upgraded to produce a Loss/Gain report on a monthly or periodic basis. This would provide management with current details of the fueling system operations.**

Sales/Accounts Receivable

6.54 During the period July 01, 2010 to June 30, 2011 the sum of \$1,418,332.00 worth of product was supplied to various Ministries and Departments. At the end of the period, total amount owed by the various Ministries and Departments was \$302,866.08.

6.55 **We recommended that efforts be made to collect the receivables without delay.**

6.56 While comparing petroleum receipts with the respective requisition forms for the period under review, we noted the following:

- a) Petroleum product was issued with the use of duplicated requisition forms;
- b) The stores items issued did not correspond with items requisitioned;
- c) Gasoline was issued over the amount(s) requested;
- d) An extraordinary quantity of gasoline was issued to a number of vehicles;
- e) The requisition/purchase order numbers entered on the following stores petroleum receipts were not the same;
- f) During the audit we noted that neither requisition nor request notes were attached to a number of transactions representing 580.76 gallons of gasoline and 50.85 gallons of diesel. As a result we were unable to verify the authority to issue the products;
- g) According to documents presented, vehicles other than those authorized were issued petroleum products.

6.57 **It is recommended that:**

- a) Control measures are implemented to ensure that stores are not issued without being authorized;**
- b) Due care and attention be exercised during the preparation of accounting documents to ensure accuracy and accountability;**
- c) An explanation be provided for the excess products issued without authorization;**

- d) An explanation be provided to show how the vehicles were able to hold the excess quantity of fuel;
- e) Due care and attention be exercised during the preparation of accounting documents to ensure accuracy;
- f) The requisitions/purchase orders which were not produced should be provided for audit review;
- g) Controls are implemented to ensure that stores are only issued to authorized vehicles.

Post Office Department
Carmichael Road Branch

Outstanding Money Orders

- 6.58 During our review of Postal Money Order documents, we noted that there was no evidence to show that money orders issued in the amount of \$32,719.57 were brought to account.
- 6.59 We further noted a cumulative amount of \$29,550.00, representing amounts paid in Canada for Canadian Money Orders issued/sold during the period September 06, 2010 to February 14, 2011. We found no evidence to show that the funds collected were brought to account.
- 6.60 **We recommended the documentation to show that the sum of \$32,719.57 and \$29,550.00 respectively for Postal transaction be produced for audit review.**
- 6.61 We were not provided with a money order receipt book register at the General Post Office, and as a result, we were unable to trace the movement of Money Order books, to the various Postal Statements.

6.62 We recommended that a money order receipt book register be maintained in an effort to track the movement of receipt books.

Department of Lands and Survey

Lease Holders

6.63 While examining the lease holders files we noted that the amount of fees outstanding was over \$2M dollars.

6.64 We strongly recommended that management vigorously pursue the collection of outstanding funds.

Real Property Tax

6.65 The outstanding Real Property Taxes for the fiscal year 2010/2011 amounted to \$94,780,384.45. In addition, the cumulative outstanding taxes for prior years totaled \$447,105,279.55; thus giving a grand total of \$541,885,664.00.

DESCRIPTION	CURRENT AMOUNT \$	PRIOR YEARS \$	CUMULATIVE \$
Current Taxes	82,037,996.12	281,457,075.28	363,495,071.40
Current Surcharge	12,742,388.33	165,648,204.27	178,390,592.60
Taxes Outstandig	94,780,384.45	447,105,279.55	541,885,664.00

6.66 The outstanding amount of \$541,885,664.00 is exorbitant; and continues to increase from year to year. We recommended that immediate measures be implemented, to address the problem of outstanding taxes.

Grand Bahama

Chapter 7

SECTION SEVEN GRAND BAHAMA

Marsh Harbour, Abaco

Road Traffic Department

7.01 During the audit examination to ensure population completion of General Receipt Books, we noted the following exceptions:

a. **Missing Counterfoil Issue Notes:**

One hundred and eight-nine (189) General Receipt Books recorded in Road Traffic's Register had no supporting Counterfoil Issue Notes.

b. **Incomplete Counterfoil Issue Notes:**

Three Counterfoil Issue Notes did not list the serial numbers of thirty-two (32) General Receipt Books issued.

c. **Difference in information per Register and Counterfoil:**

The Register on November 18, 2010 shows twenty (20) General Receipt Books received per counterfoil Issue Note S000325. However, Counterfoil Notes shows no quantity or series of books issued. Additionally, there was no attached sheet with the details as indicated on the counterfoil.

7.02 This breakdown in audit trail over receipt books, resulted in two hundred and forty-one (241) General Receipt Books not properly accounted for. Consequently, we could not ensure that all books issued and received by the department were accurately accounted for.

7.03 **We recommended that Road Traffic Department – Nassau exercise care when preparing Counterfoil Issue Notes. The quantity and the serial numbers of all general receipt books issued must be properly and accurately recorded. Also, all receipts books dispatched must be accompanied by a properly prepared counterfoil.**

- 7.04 **In the event that there is a discrepancy between the Counterfoil Issue Note and the books received by the department, we recommended that a query is documented immediately.**
- 7.05 Three hundred (300) Private Validation Sticker Nos. 173301 – 173600 were not recorded in the department's register. Therefore, we were unable to account for all Private Validation Sticker issued.
- 7.06 Our audit examination to ensure the accuracy of Stickers used revealed the following deficiencies:
- a) Stickers were not consistently used in sequence.
 - b) One thousand and ninety-nine (1,099) Motor Vehicle Stickers were unaccounted for.
 - c) Seven hundred and fifty-five (755) Drivers Licence Stickers were unaccounted for.
 - d) Twelve (12) Motor Vehicle and three Drivers Licence Sticker numbers were used twice.
 - e) Motor Vehicle Sticker numbers were not always legible on the two counterfoils.

As a result of deficiencies above 1,854 stickers could not be accounted for.

- 7.07 **We recommended that immediate steps are taken to ensure that stickers are used sequentially and are properly accounted for on a daily basis. It is further recommended that a Spreadsheet Documents be created to account for stickers when received and used on a daily basis.**
- 7.08 During our examination, we noted that the department did not maintain a Register for Inspected Vehicles.

- 7.09 Our audit examination to ensure that Drivers License fees were accurately assessed revealed the following exceptions:
- a. According to the issue and expiration dates recorded on the receipts/counterfoils compared to the number of years paid, the fee assessed did not agree for one hundred and one (101) Drivers Licences.
 - b. For seventy-three (73) New Drivers Licence and Learners Permits there were no supporting Application Forms.
- 7.10 **We recommended that care be exercised when issuing licences to ensure that the period for the drivers licence and the amount paid is clear. It is also recommended that New Drivers Application Forms must be properly attached to ensure accuracy of first-time information.**
- 7.11 We could not determine whether revenue was accurately assessed for "New Vehicles".
- a. We noted that counterfoils and tally tapes did not have a notation (N) of the status of the vehicle.
 - b. The department did not issue general receipts for Registration Cards for New Vehicles. Instead the Registration Card Fee was included on the Motor Vehicle Counterfoil.
- 7.12 **We recommended that immediate steps be taken to ensure that a notation (N) for "New" Vehicles is written on the Motor Vehicle Counterfoils as well as on the Tally Tapes.**
- 7.13 **We recommended that general receipts be issued for Registration Cards for new vehicles in order to ensure that revenue is accurately collected.**

- 7.14 Our examination of Motor Vehicle Licenses revealed the following:
- a. Four hundred and thirty-nine (439) Counterfoils did not clearly state the Vehicle Make and Model.
 - b. One hundred and twenty-five (125) Counterfoils did not have documents to support the prorated fees assessed.
 - c. The Make and Model of forty-five (45) Counterfoils totaling \$9,348.33 were not listed in the Weight Booklet.
- 7.15 As a result of the above observation, we could not confirm the accuracy of revenue assessed for six hundred and eighty-six (686) Motor Vehicle Counterfoils.
- 7.16 **The Department must ensure that the Make and Model of Vehicles are clearly written on Counterfoils. Additionally, we recommended that documents in support of pro-rated fees, sale of vehicles and applications for transfers be attached to the Motor Vehicle counterfoils.**
- 7.17 We observed that four hundred and sixty-four (464) Motor Vehicle Counterfoils did not have an issue date recorded. As a result, we could not confirm the accuracy of revenue.
- 7.18 **We recommended that due care and attention be exercised to ensure that the issue date is recorded on each Motor Vehicle Counterfoil, thereby establishing a clear audit trail.**
- 7.19 Our examination of Road Traffic Department revealed a breakdown of key controls during the revenue collection process for Motor Vehicle and Drivers Licences. The accounting processes employed by the department did not demonstrate that revenue was accurately and properly collected.
- 7.20 A significant deficiency was the department's inability to properly account for all Boundary Documents such as: General Receipt Books and Validation Stickers. Thus,

immediate action is required to strengthen accountability of receipt books and stickers.

- 7.21 Additionally, the processing of Motor Vehicle Licence is flawed to the extent which reliance cannot be placed on the accuracy of amounts collected.
- 7.22 The Department must ensure that the Model/Version of the Vehicle is recorded on the Motor Vehicle counterfoil. Additionally, proper training should be provided so that Officers would be able to ensure that the necessary details for proper assessment of Motor Vehicle Fees are recorded on Motor Vehicle counterfoils.
- 7.23 Urgent action is required on the part of the department to undertake measures in an effort to strengthen the weaknesses identified during the audit. Further delay in action, will result in continued loss of revenue.

Supreme Court Registry

- 7.24 It is our opinion that the Supreme Court Registry ensures that proper and effective Internal Control procedures are implemented and exercised on a daily basis. Adherence to effective internal controls provide assurance that funds are properly collected, recorded and deposited within a timely manner. It is imperative that the daily reconciling function is exercised to provide evidence of accuracy and accountability.

Freeport, Grand Bahama

Customs Department

- 7.25 During our audit examination of original entries to ensure population completeness; it was observed that a number of entries were physically missing from their respective jackets.

- We were therefore, unable to confirm the accuracy of the cashbook posting.
- 7.26 **We recommended that the department ensures that all original entries are presented for audit inspection upon request. Original entries represent the evidence that goods were legitimately imported into the country, and that these goods were examined and the proper fees assessed and entered in the revenue system. When physical entries are missing, as in this case, audit is unable to confirm that the revenue reported is accurate.**
- 7.27 A small amount of entry numbers were reported as “voided” in the original entry files. In each case, the department included a slip of paper in the original entry files to account for each entry, but no proper, physical entries were not produced. The slips of paper recorded a total dollar value which agreed with the cashbook.
- 7.28 **We recommended that the department maintains a file of voided entries which should be produced for audit inspection, when requested. We further recommended that all voided transactions be acknowledged at the appropriate senior level manager to ensure that proper controls exist to safeguard the accuracy of revenue.**
- 7.29 During our audit examination to ensure that funds were collected in a timely manner, we observed that a number of original entries on file did not have a cashier’s “date-stamp” affixed.
- 7.30 **We recommended that the cashier ensures that all original entries are date stamped as evidence that the funds were collected in a timely manner.**
- 7.31 The Cashier’s “date stamp” on a number of original entries did not match the Cashbook’s date.

- 7.32 **We recommended that the cashier ensures that all original entries are stamped with the correct date as evidence that revenue was collected in a timely manner.**
- 7.33 During our audit examination to ensure that funds deposited were accurately recorded by Treasury, we observed that a number of Daily Revenue Reports could not be traced to the Treasury's Actual Revenue Detailed Reports.
- 7.34 **We recommended that the reconciliation function is performed daily to ensure accuracy of posting, and proper classification of revenue.**
- 7.35 The results of this examination have revealed internal control weaknesses that have been identified in the past but not strengthened. We continue to be concerned about the frequent incidences of missing entries which prevent Audit from ensuring that revenue has been properly assessed and collected. Improperly voided entries are another source of concern in assessing accuracy of revenue. Further concern is that revenue which were collected and deposited were not posted to the Treasury's Actual Revenue Detail Reports. Efforts must be made to ensure that these records are properly reconciled in a timely manner so that Treasury's reports are accurate and complete.

[Ministry of Agriculture & Marine Resources](#)
[Department of Fisheries – Freeport, Grand Bahama](#)

- 7.36 The Internal Control System is weak because there is no segregation of duties; one person performs all accounting functions.
- 7.37 **It is recommended that another officer is trained to perform the accounting procedures.**

Ministry of Tourism
Hotel Licensing Board – (Freeport, Grand Bahama)

Revenue

- 7.38 Our examination to ensure the proper and accurate summarization of daily revenue revealed that there was no summarization of daily revenue collection.
- 7.39 **We recommended that all revenue collected via official receipts is summarized daily at the back of the last receipt used each day.**
- 7.40 We were unable to ensure the accuracy of revenue collected for fourteen (14) general receipts issued totaling \$133,352.95 because the original receipts were written without carbon paper. The copies were subsequently written in ink.
- 7.41 Although each receipt was agreed to the monthly returns files and cashbook, in some cases Audit could not confirm that the respective amounts were accurate.
- 7.42 **We recommended that due care and attention be paid when receipts are prepared so that amounts collected may/can be properly verified.**
- 7.43 In a number of cases we were unable to ensure the accuracy of revenue of Hotel Guest Taxes from the revenue receipts because the amounts written in “words” and “figures” differed.
- 7.44 **It is recommended that an explanation be given for the differences in the words and figures, which did not facilitate an audit trail.**
- 7.45 The result of this audit examination was not satisfactory. It was evident that there was a lack of adherence to proper and effective internal controls and systematic performance of the daily reconciliation function. The number of exceptions noted during this engagement which related to boundary completion and revenue accuracy (collection and recording)

were unacceptably high. A more reliable system of daily reconciliation would strengthen the noted weaknesses identified during this audit.

The Scholarship Education Loan Division Scholarship Loan Guarantee Program

Re-issuance of Cheques

- 7.46 A request was made for a current listing of the student accounts showing their respective balances, however up-to-date records were not available. Instead, SELD provided a student listing from the Bank of The Bahamas for December 2010.
- 7.47 **We recommended that up-to-date students accounts be reviewed to ensure that the appropriate principal and interest charges are applied and to ensure that the correct balances are maintained.**
- 7.48 We noted that one officer was responsible for collections, public relations/marketing and also served as the messenger for the Division. With the escalating number of default accounts and the inability of the bank to collect on these accounts, it is important that the department streamline its focus on aggressive collections.
- 7.49 **We recommended that the Division ensure that the department focuses on an aggressive collective effort to ensure that appropriate and adequate resources are assigned to achieve this endeavor.**
- 7.50 *Administrator's Response*
It has been recommended since 2005 that a proper collection unit be established for the proper recording and collection of defaulted loans in the programme. Although Cabinet approved the establishment of a collection Unit within the Scholarship & Education Loans Division, ICC (06), the implementation of the unit has yet to be completed due to budgetary constraints and a clear mandate from the Government.

Student Listing/Files

- 7.51 The approved committee listings of students who were awarded guarantee loan scholarships were not produced for audit review.
- 7.52 During our interviews with the employees we were informed that the computer system was not able to produce a proper ageing of student loan balances. Further, information revealed that students whose loans were revoked as a result of being placed on probation were reinstated and continued to receive payments. As a result, the GPA field in the system had to be “tagged” or “locked” to alleviate unauthorized changes.
- 7.53 **We recommended that adequate internal controls be put in place to prevent unauthorized changes. Further, it is recommended that a suitable system be implemented to create a proper ageing of the balances on student accounts.**

Reconciliation of Accounts

- 7.54 During our interview with Administration, we confirmed that there were absolutely no reconciliations currently being carried out on the bank accounts and the student accounts of the Scholarship Division.
- 7.55 **We recommended that management take appropriate steps to ensure that bank accounts and student accounts are properly reconciled on a consistent timely basis.**

The Port Department

- 7.56 It is our opinion that the Port Department must ensure that proper and effective Internal Controls are implemented and adhered to. Adherence to established internal controls provides assurance that public funds are properly collected, recorded and deposited to the government's bank accounts within twenty-four hours of its receipt.
- 7.57 The recording function over source documents, such as the general receipts, must be monitored and reconciled on a daily basis to ensure that revenue is brought to account accurately and in a timely manner. This daily reconciling function would also serve to ensure that carboned copies of general receipts are proper representations of the originals. Responsible officers must ensure that proper internal controls are exercised daily.

Road Traffic Department
Marsh Harbour, Abaco

Recurrent Expenditure

- 7.58 Our examination to ensure legitimacy and proper authorization of payments revealed the following:
- a. A number of vouchers did not include a signature representing Treasury's approval of the expenditure.
- 7.59 **We recommended that all payment vouchers are properly authorized to ensure that payments are accurate and legitimate.**
- b. A number of payments to Automotive & Industrial Distributors Ltd. (AID) per voucher/check No. #22398 were supported by illegible documents.
 - c. A number of payments were supported by quotes rather than invoices.

- 7.60 **We recommended that all payment vouchers be supported with adequate, proper documentation to ensure the legitimacy of payments.**
- 7.61 Our examination to ensure mathematical accuracy of payments revealed a number of over-payments and short-payments.
- 7.62 **We recommended that Treasury officers properly scrutinize payment vouchers to ensure that payments are mathematically accurate.**
- 7.63 A large number of payment vouchers could not be agreed to the check stubs because there were no dollar amounts recorded on the check stubs.
- 7.64 Also, a number of payment vouchers could not be agreed to the check stubs because the payee names were not recorded on the check stubs.
- 7.65 **We recommended that check amounts and payee names are recorded on cheques for a clear audit trail.**
- 7.66 There were no payment vouchers in support of a number of credit items on the Detailed Report.
- 7.67 During the period under review a series of payment vouchers dated June 30, valued \$646,659.50 which were identified as Period 13 could not be agreed to the Detailed Report.
- 7.68 **We continue to recommend that Treasury's electronic system capture and update all auditable documents to ensure an objective examination of the summary records and ensure the accuracy and legitimacy of payments.**

7.69 At June 30, 2011 the adjusted bank balance and the adjusted General Ledger Balance per Journal Inquiry were reported reconciled at \$802,443.53; however, the following exceptions were noted:

a) The June 30, 2011 reconciliation statement included adjustments which could not be agreed because supporting information was not provided.

b) Under-stated Outstanding Cheque List. Thirty-five (35) cheques valued \$24,777.97 were not listed/included on the May 31, 2011 Outstanding Cheque List, thereby resulting in overstated bank balance at this date.

7.70 **We recommended that:**

All adjustments, are properly supported to ensure legitimacy of adjustments.

All adjustments, are corrected in the applicable audit period to ensure mathematical accuracy and proper cut-off.

The Reconciliation is signed by a senior officer as evidence that the Reconciliation is accurate and complete.

7.71 The records of the Treasury Expenditure Section were not satisfactorily maintained. Our audit examination continues to be impeded by the lack of access to the electronic records such as Treasury Authorization amounts and Vendor Listings. Prescribed records such as cashbooks and Appropriations Ledgers have been discontinued but alternative sources have not been put in place to aid in providing the information that these documents were designed to supply if properly compiled.

7.72 Payment vouchers must be properly scrutinized to ensure accuracy, adequate supporting information and payee names and amounts recorded at all times. Payments must be properly classified according to the prescribed estimates, and all manual and electronic records must be reconciled. A

proper reconciliation of the bank account and cashbook is required to ensure that government funds are adequately accounted for.

- 7.73 We were unable to ensure that payments were correctly assigned to vendors because as previously reported, the Treasury is unable to provide a hard copy of its Vendor listings.
- 7.74 We continue to note that our department must obtain access to Treasury's electronic accounts in order to independently and objectively examine the department's reports which are no longer printed in hard copy.

Family Islands

Chapter 8

SECTION EIGHT

FAMILY ISLANDS

Governor's Harbour, Eleuthera

Ministry of Health

Consolidated Fund/Deposits Slips

- 8.01 While tracing and agreeing the receipts to the Consolidated Fund Cashbook and Deposit Slip we noted that funds were not deposited on a timely basis. Funds held for more than thirty (30) days in some cases.
- 8.02 **It is recommended that monies collected be deposited to the bank on a timely basis.**

Cat Island District

Central Government Recurrent Account

- 8.03 Our review of the balances for the Cash Book (Bank Column) and the Bank Statement for the Central Government Recurrent Account which covered the period June 2010 to July 2011 revealed the following:

	\$
Cash Book (Bank Column) Balance as at 30 th July 2011	351,730.24
Bank Statement Balance as at 30 th July 2011	330,442.76

- 8.04 We view with grave concern that bank reconciliations statements have not been prepared for this account for a number of years. As a result we cannot attest to the financial position. Obviously, this creates a risk that fraud can occur and go undetected. In our report DAG/C.9.1/371 dated July 23, 2010, we highlighted a similar concern regarding the non-preparation of bank reconciliation statements. At the time of our review no action was taken relative to rectifying this situation.

- 8.05 **We recommended that the Permanent Secretary in collaboration with the Public Treasury take the necessary actions to ensure that the bank reconciliation statements are brought up to date promptly for the Central Government Recurrent Account and maintained on a regular monthly basis.**
- 8.06 It was noted that a large number of 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.
- 8.07 **In accordance with established procedures we recommended that vouchers bear the head, line/item and block numbers.**

Deposit Fund Income Account

- 8.08 The Deposit Fund Income Account covering the period June 2010 through to June 2011 was not properly maintained. A review of the Deposit Fund Income Bank Account in relation to the Cash Book revealed that income collected was not deposited into the bank account intact. In addition, we observed that no deposits were made to the bank for the months of July – August 2010 and March 2011 but in few cases deposits exceeded the income collected.
- 8.09 **We recommended that the deposit Fund Income Account be reconciled as a priority and management provide an explanation as to why deposits were not made intact.**
- 8.10 In our opinion, the accounts were not maintained at a satisfactory standard in all respects, specifically the non-preparation of bank reconciliation statements for all of the accounts. We could not give assurance to the correctness and completeness of the accounts.

Bahamas Customs Department

Chapter 9

SECTION NINE

BAHAMAS CUSTOMS DEPARTMENT

- 9.01 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 collection, Air and Sea Departure Tax, Passenger Ticket Tax and other miscellaneous fees.
- 9.02 According to the figures provided by the Customs Department, the total revenue of the GL670 System collected during the fiscal year July 1, 2010 to June 30, 2011 amounted to \$755,950,890.36, minus \$41,674.21, which was moved from the total revenue of the GL670 System leaving the balance of \$755,909,216.15, compared to the Actual Revenue Estimates Provisional 2010/2011, \$709,169,851.91, an increase of \$46,739,364.24, approximately (14%).
- 9.03 An analysis of Actual Revenues collected is presented in the table below:

Revenue	Actual Revenue Estimates Provisional 2010/2011 \$	Actual Revenue GL System 670 \$	Actual Revenue Customs 2009/2010 \$
General Import	354,117,822.10	354,117,822.10	346,948,415.20
Export Excise Duties	12,860,176.83	12,860,176.83	12,586,605.69
Excise	208,287,277.62	253,718,893.87	190,746,506.81
Air Departure Tax	33,096,962.03	33,096,962.03	23,706,846.00
Sea Departure Tax	68,944,885.02	68,944,885.02	48,008,615.26
Passenger Tax/ Pleasure Craft	427,042.22	427,042.22	248,124.00
Passenger Ticket Tax	693,125.21	693,125.21	1,549,531.91
Stamp Tax - Import	15,928,073.57	15,928,073.57	15,029,259.27
Stamp Tax - Export	73,026.27	73,026.27	122,036.95
Stamp Tax on Ship	280.00	280.00	-
Stamp Tax on Ship Report	2,350.00	2,350.00	12,340.00
Customs Fines & Forfeitures	260,849.75	260,849.75	283,248.74
Dishonored Cheques Surcharge	-	-	1,141.00

Revenue	Actual Revenue Estimates Provisional 2010/2011 \$	Actual Revenue GL System 670 \$	Actual Revenue Customs 2009/2010 \$
Customs Storage Fees	168,267.01	168,267.01	239,842.85
Warehouse Fees	141,034.40	141,034.40	121,725.22
Inspection Fees	665,409.00	665,409.00	698,073.71
Overtime	2,067,963.47	3,375,711.46	4,925,627.68
Container Movement	3,578,698.89	3,578,698.89	1,480,604.69
Customs Container Fees - Freeport	222,715.00	222,715.00	202,746.18
Other Customs Charges	374,619.55	374,619.55	227,928.01
Bonding Tax	2,203,759.48	2,203,759.48	845,635.97
Royalties	1,413,717.64	1,413,717.64	1,216,292.56
Fishing Permit	13,595.00	13,595.00	10,650.00
Cruising Permit	104,926.37	104,926.37	111,900.00
Boarding Fees	1,020,030.00	1,020,030.00	953,625.00
Boarding Fees	2,388,451.52	2,388,451.52	2,722,020.00
Rental of Various Properties	114,793.96	114,793.96	-
Totals	\$ 709,169,851.91	\$ 755,909,216.15	\$ 653,094,007.23

9.04 The grand total of the GL670 was \$755,950,890.36 of which Wharf, Harbour and Port Dues amounted of \$41,674.21 was moved from Head 23 of the GL670 System, leaving the balance of \$755,909,216.15.

9.05 Actual Revenue GL 670 System collected for the years 2010/2011 amounted to \$755,909,216.15.

Total Actual Revenue Estimates \$709,169,851.91

Total GL670 System Revenue \$755,909,216.15

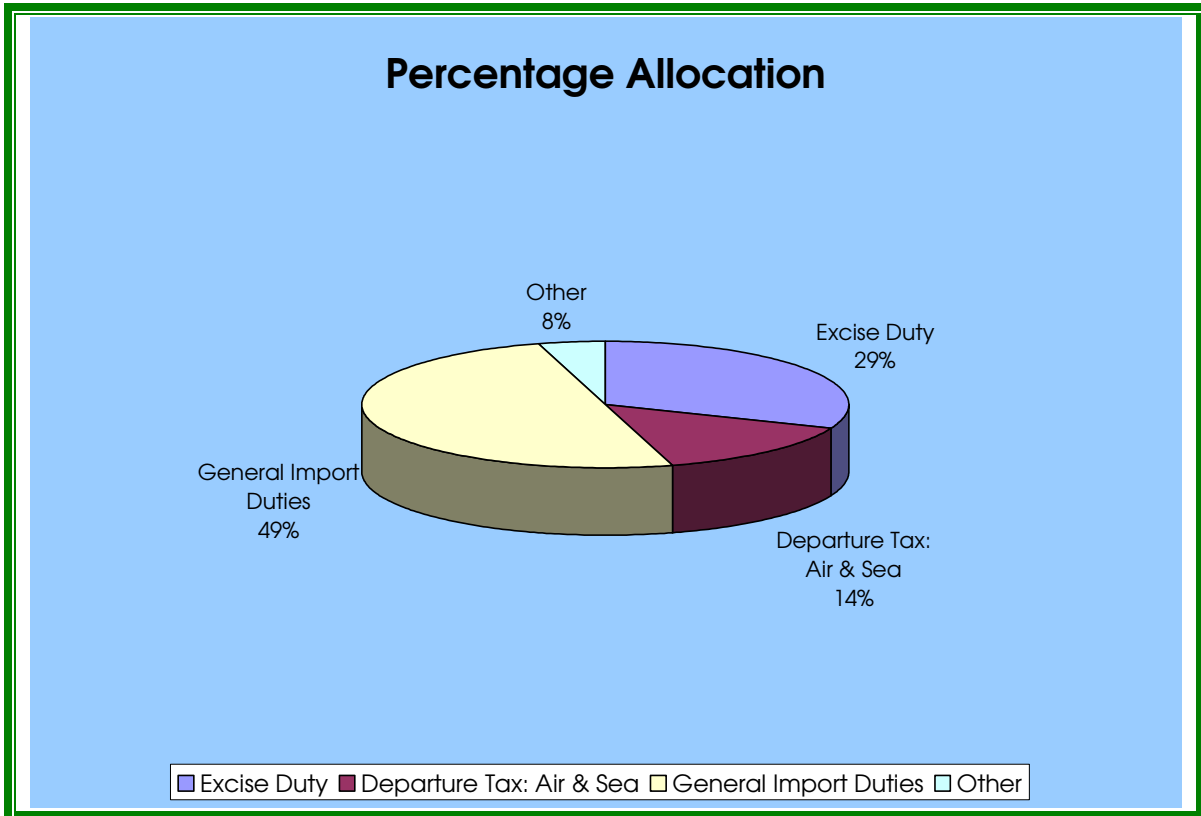
Difference between Actual Revenue of Provisional and Actual Revenue Customs Department \$ 46,739,364.24

9.06 The Actual Customs Revenue collected during the fiscal year 2010/2011 increased compared to the Actual Recurrent Accounts 2009/2010. For example, Air & Sea Departure Tax, etc. Conversely,

some collection decreased below Recurrent Account figures, for example, Ticket Tax.

9.07 The percentage allocation of Actual Revenue for July 2010 – June 2011 is as follows:

Revenue Items	Allocations (%)
Excise Duty	29%
Departure Tax: Air & Sea	14%
General Import Duties	49%
Other	8%
Grand Total:	100%



9.08 The breakdown of Revenue collected July 2010 – June 2011 by region is as follows:

Name	Fiscal Year July 1, 2010 - July 30, 2011 \$	Fiscal Year July 1, 2009 - June 30, 2010 \$
New Providence	\$ 578,788,975.46	\$ 529,786,391.26
Grand Bahama: Freeport & West End	\$ 61,444,702.77	\$ 57,252,726.23
Family Islands	\$ 64,708,141.42	\$ 66,054,889.74
Grand Total:	\$ 704,941,819.65	\$ 653,094,007.23

Air Express

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

Customs House Entries

9.10 Continuous audits were conducted during the year, the incorrect rate of duty was applied in some instances. Queries were raised for the period relating to aforementioned.

Family Island Accounts

9.11 Continuous audits were carried out on the Customs Section at Abaco, Eleuthera, Exuma and Grand Bahama, by satellite Offices. Accounts from our other posts were audited in Nassau. Additionally, 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

9.12 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.

Name of Port	Number of Outstanding Entries
New Providence	3186
Family Islands	856
Grand Bahama	1938
Grand Total	5980

- a. The total number of Outstanding Manifest examined were 14,183, of which 5,980 have not been cleared to-date.
- b. No dollar (\$) value amounts were submitted on the outstanding manifest.
- c. These observations were raised in our previous audit reports directly with the Customs Department. This does not represent the grand total of outstanding entries.

Auction

9.13 Auction proceeds realized \$399,845.00 for the fiscal period. All bids that are accepted by the auctioneer are paid at the close of each bid.

Queries

9.14 During the fiscal 2010/2011, 821 queries totaling \$346,046.28 were raised with the Customs Department. Of this amount 370 were satisfactorily resolved which resulted in \$138,206.75 being collected.

Port/Station	Queries Raised	Dollar Value \$	Queries Answered	Dollar Value \$
Customs House	763	\$ 336,260.15	350	\$ 136,307.70
Air Express	0	\$ -	0	\$ -
Family Islands	58	\$ 9,786.13	20	\$ 1,899.05
Grand Total	821	\$ 346,046.28	370	\$ 138,206.75

Treasury Final Accounts

Chapter 10

**SECTION TEN
TREASURY FINAL ACCOUNTS**

Bank Reconciliation

Un-reconciled Inactive & Dormant Bank

10.01 There are eighteen 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.

10.02 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, a decision will be forthcoming.

Table Below shows the Inactive Ledger Bank Accounts

Head & Item 103	Description	Bank Account Number	General Ledger balance as at June 30,2010	General Ledger balance as at June 30,2011	Change
1001	Consolidated Fund B\$	232.790.6	5,969,475.91	5,969,475.91	0.00
1002	Consolidated Fund US\$	433.109.6	(3,376,956.25)	(3,376,958.25)	0.00
1003	Expenditure Rec. B\$	232.795.5	(24,655,628.12)	(24,655,628.12)	0.00
1004	Expenditure Rec. US\$	433.117.9	(2,068,490.89)	(2,068,490.89)	0.00
1006	B4 Capital Expen (3)	232.800.3	11,252,011.12	11,252,011.12	0.00
1014	Consolidated Fund B4	110.199.7	2,309,122.89	2,309,122.89	0.00
1015	Consolidated Fund US\$	402.436.0	1,364,232.60	1,364,232.60	0.00
1016	Expenditure B\$	110.201.1	5,557,636.10	5,557,636.10	0.00
1017	Expenditure US\$	402.438.6	2,689,361.72	2,689,361.72.	0.00
1018 – 11	Capital Expen. B\$	110.202.9	2,797,007.52	2,797,007.52	0.00
1019	Expenditure B\$	110.204.5	2,162,583.27	2,162,583.27	0.00
2001 – 21	Deposit Fund Expen. B\$	232.790.5	6,496,970.22	6,496,970.22	0.00
2002 – 21	Deposit Fund Income US\$	433.113.8	936,481.94	936,481.94	0.00
2011 - 21	Deposit Fund Income B\$	232.790.1	(30,044,699.73)	(30,044,699.73)	0.00
2014	Deposit Fund Income B\$	110.200.3	9,160,568.31	9,160,568.31	0.00
2015	Deposit Fund Income US\$	462.437.8	168,594.02	168,568.02	0.00
2016	Deposit Fund Expen. B\$	110.203.7	5,530,362.83	5,530,362.83	0.00
	Total		-3,849,512.91	-3,849,512.91	

10.03 **The Office of the Auditor General 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.**

Treasurer's Response:

We agree that this matter has been long-standing, however with the enactment of the New Financial Administration and Audit Act which became operative on October 1, 2011 and the amendment of 2013, we are now able to proceed to have this matter resolved. These accounts and the inactive and dormant advances and depository accounts will be dealt with and reflected in the notes to the 2012/2013 Treasury Accounts.

- 10.04 Suspense/Inactive Accounts dating back to 1985 should be "closed-out" to a control account (Dormant Accounts) until such time that permission is received to write-off such statutory accounts.

Public Officer's Loans

- 10.05 During our review of the Public Officers Loan FNA listing we noted that a number of employee's were allowed to have deductions that exceeded 75% of their gross monthly salary. This is a departure from Treasury Circular No.10/09 dated June 29, 2009.
- 10.06 **We recommend that Treasury Circular No.10/09, dated 29th June, 2009 which states that, "With effect from 1st July, 2009 officers are allowed to have 75% of their salary deducted for transactions. The net take home pay should in no way be allowed to fall below 25% of gross salary." be strictly adhered to.**

Treasurer's Response:

We agree that some employees' payroll deductions exceed the threshold of the policy, however only in extenuating circumstances is this allowed. It should be noted however that prior to the implementation of the policy there were a number of persons who had already exceeded this threshold and there has been very little change to this number thereafter.

- 10.07 During our examination of the Public Officers Loan, a number of loans did not commence repayment the month following the granting of the loan.

10.08 **We recommend that the recovery of loans be monitored to ensure that deductions begin at the correct date.**

Treasurer's Response:

Recommendation is noted and follow-up will be done to ensure that deductions are commenced on the due date. Please note that deductions for repayment of Education Loan commences when the Officer has completed their studies. Many of these loan deductions requires follow-up by this office and the respective agencies to ensure that repayment commences on time.

Salary Advances

10.09 It was noted that officers received salary advances however, AR505 did not always reflect the correct status of officers' loans, for example, loans which were fully satisfied as indicated in the JD Edwards payroll system were shown as outstanding as per AR505 (Detail invoice by customer).

10.10 **We recommend that due diligence be exercised to ensure a transaction trail in the maintenance of salary advances to the AR505 ledger and that repayments of the amounts due be posted to the AR505 in a timely manner. We further recommend that the JD Edwards system be interfaced with the CA System to ensure accounts are systematically updated.**

Treasurer's Response:

The Accounts Receivable system should reflect if loans have been fully satisfied as the recoveries from the payroll system are automatically posted monthly to the AR Module. There is an interface between the J D Edwards payroll and the Financial Management systems and transactions are brought over monthly to the general ledger.

10.11 **It is imperative that Treasurer ensures that Bank Reconciliations are performed in a timely manner for all Treasury Control and Subsidiary Accounts.**

Treasurer's Response:

We agree that some months we are unable to complete the large bank accounts within 30 days and this is due to the volume and number of errors made by the bank. The implementation of the ACH has added further complexity to the process as we do not receive the paid cheques from the bank in a timely manner. The bank now has to collect the cheques from the various banks because the ACH has eliminated the daily exchange of cheques as was done in the past. Furthermore the bank no longer code the cheques with the amount paid.

- 11.12 Family Island Suspense Accounts (#323 and 324) should be reconciled at year end. Custodians of accounts must be made to comply with Treasury Directives to ensure the proper reconciliation of their accounts.**

Treasurer's Response:

Your recommendation is noted. We will enforce the reconciliations once we are able to secure additional staff.

- 11.13 At year end 2011, outstanding/uncollected Government Revenue exceeds \$19 million, in this light; the Treasurer must ensure that no Cheques are received unless they are properly certified. The head of any ministry/department that receive unsecured cheques becomes personally liable for the revenue through salary deduction.**

Treasurer's Response:

An officer has been assigned to oversee this specific accounts receivable function and some progress has been made and we continue to improve our controls to minimize the incidents of dishonored cheque and also the delay in the processing of dishonoured cheque refunds. We continue to send out memorandums to the various ministries/departments which are responsible for collection.

Audit Certificate

**AUDIT CERTIFICATE
THE FINAL ACCOUNTS OF
THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS
FOR THE YEAR ENDED JUNE 30, 2011**

In compliance with Section 36 of the Financial Administration and Audit Act, 1973, I have examined the several statements and accounts of the Government of the Commonwealth of The Bahamas as specified under Section 27(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, 1973, 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; 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, 2011.

Terrance S. Bastian (Mr.)
Auditor General

Nassau, Bahamas
June 14, 2013

Annex

PART II

ANNEX

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ANNEX 1

Statement of Cashflows

**THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS
CONSOLIDATED FUND
STATEMENT OF CASH FLOWS
FOR YEAR ENDED 30 JUNE, 2011**

	Notes	2011	2010
CASH FLOWS FROM OPERATING ACTIVITIES			
Recurrent Revenue	(4)	1,451,993,735	1,293,227,589
Refund of Revenue		(8,751,767)	(1,667,308)
Recurrent Expenditure (less Debt repayment)	(5)	(1,564,674,766)	(1,440,012,856)
Net cash flows from operating activities		(121,432,798)	(148,452,575)
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from capital revenue	(6)	80,895	63,480
Capital acquisitions	(7)	(204,589,192)	(158,866,113)
Other capital outlays	(7)	(72,394,146)	(92,585,356)
Net cash flows from investing activities		(276,902,443)	(251,389,989)
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase (Decrease) in Treasury Bills	(8)	(48,000,000)	57,300,000
Increase (Decrease) in Central Bank Advances	(9)	(23,000,000)	0
Increase (Decrease) in Other Advances and Deposits	(10)	101,765,275	(28,948,624)
Proceeds from Bonds/Stocks	(6)	234,993,200	509,724,300
Proceeds from Loans	(6)	53,848,854	30,906,761
Proceeds from Sale of Shares	(6)	203,700,275	0
Principal Payments on Public Debt		(77,496,065)	(289,399,840)
Net cash flows from financing activities		445,811,539	279,582,597
Net Increase (decrease) in cash		47,476,298	(120,259,967)
Cash and Cash Equivalents			
Cash and Cash equivalent at beginning of year		(131,973,364)	(11,713,397)
Cash and Cash equivalent at end of year		(84,497,066)	(131,973,364)

See accompanying notes to the financial statements

ANNEX 2

Statement of Revenue & Expenditure

**THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS
STATEMENT OF REVENUE AND EXPENDITURE
FOR THE YEAR ENDED JUNE 30, 2011**

<u>RECURRENT ACCOUNT</u>				
	NOTES	Original Budget 2010-11 \$(millions)	Actual 2010-11 \$(millions)	Actual 2009-10 \$(millions)
<u>RECURRENT REVENUE</u>				
TAX REVENUE	(4)	1,297,087,687	1,241,635,125	1,025,245,238
NON-TAX REVENUE	(4)	195,350,611	210,358,610	267,982,351
SUB-TOTAL		1,492,438,298	1,451,993,735	1,293,227,589
REFUND OF REVENUE			(8,751,767)	(1,667,308)
TOTAL		1,492,438,298	1,443,241,968	1,291,560,282
<u>RECURRENT EXPENDITURE</u>				
PERSONAL EMOLUMENTS	(5)	577,762,939	586,598,262	586,102,264
PUBLIC DEBT PRINCIPAL	(5)	74,765,828	77,496,065	289,399,840
PUBLIC DEBT INTEREST	(5)	208,363,990	201,714,465	186,521,260
OTHER CHARGES	(5)	693,084,436	776,362,039	667,389,332
TOTAL		1,553,977,193	1,642,170,831	1,729,412,696
CURRENT ACCOUNT OPERATING SURPLUS/(DEFICIT)		(61,538,895)	(198,928,863)	(437,852,415)
<u>CAPITAL ACCOUNT</u>				
CAPITAL EXPENDITURE	(7)	265,329,127	276,983,338	251,453,469
CAPITAL ACCOUNT OPERATING SURPLUS/(DEFICIT)		(265,329,127)	(276,983,338)	(251,453,469)
TOTAL SURPLUS/(DEFICIT)		(326,868,022)	(475,912,201)	(689,305,884)
DEFICIT FINANCING		326,868,022	382,922,949	594,394,541
NET SURPLUS/(DEFICIT)	(11)	0	(92,989,252)	(94,911,343)

See the accompanying notes to the financial statements

ANNEX 3

Balance Sheet

ANNEX 4

**Statement of Consolidated Fund
(Current Account)**

**THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS
CONSOLIDATED FUND
CURRENT ACCOUNT
FOR YEAR ENDED 30 JUNE 2011**

Notes	2011 B\$	2010 B\$
Balance as at 1st. July	(106,182,129)	(52,407,790)
Add: Receipts		
Recurrent Revenue (4)	1,451,993,735	1,293,227,589
Less:		
Revenue Refunds	<u>(8,751,787)</u>	<u>(1,667,308)</u>
	1,443,241,968	1,291,560,282
Supplementary & Deficit Financing (BGRS/US\$ (6)	51,588,895	355,726,700
Other Deposits (16)	<u>1,415,171,691</u>	<u>974,516,730</u>
	<u>2,910,002,555</u>	<u>2,621,803,712</u>
	2,803,820,426	2,569,395,922
Less: Payments		
Recurrent Expenditure (5)	(1,642,170,831)	(1,729,412,696)
Other Withdrawals (16)	<u>(1,384,406,417)</u>	<u>(946,165,354)</u>
	<u>(3,026,577,248)</u>	<u>(2,675,578,050)</u>
Balance as at 30th. June	<u>(222,756,821)</u>	<u>(106,182,129)</u>

See accompanying notes to the financial statements

ANNEX 5

**Statement of Consolidated Fund
(Capital Account)**

**THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS
CONSOLIDATED FUND
CAPITAL ACCOUNT
FOR YEAR ENDED 30 JUNE 2011**

	Notes	2011 B\$	2010 B\$
Balance as at 1st. July		(25,791,235)	40,694,393
Add: Receipts			
Proceeds from Stock/Bond Issues	(6)	183,404,305	168,997,600
Proceeds from Loans	(6)	53,848,854	15,906,761
		<u>237,253,159</u>	<u>184,904,361</u>
Other Capital Income	(6)	<u>203,781,170</u>	<u>63,480</u>
		<u>441,034,329</u>	<u>184,967,841</u>
		<u>415,243,094</u>	<u>225,662,234</u>
Less: Payments			
Capital Expenditure	(7)	(204,589,192)	(158,868,113)
Loans, Contributions & Advances to Corporations	(7)	<u>(72,394,146)</u>	<u>(92,585,356)</u>
		<u>(276,983,338)</u>	<u>(251,453,469)</u>
Balance as at 30th. June		<u><u>138,259,756</u></u>	<u><u>(25,791,235)</u></u>

See accompanying notes to the financial statements

ANNEX 6

**Statement of Deposits Fund
(Deposit Fund Account)**

**THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS
DEPOSIT FUND
DEPOSIT FUND ACCOUNT
FOR YEAR ENDED 30 JUNE 2011**

	Notes	2011 B\$	2010 B\$
Balance as at 1st. July		35,801,465	28,050,224
Add: Receipts			
Deposits	(16) <u>27,093,606</u>	<u>27,093,606</u>	<u>26,832,771</u>
		62,895,071	54,882,995
Less: Payments			
Withdrawals	(16) <u>(19,376,329)</u>	<u>(19,376,329)</u>	<u>(19,081,530)</u>
Balance as at 30th. June		<u>43,518,742</u>	<u>35,801,465</u>

See accompanying notes to the financial statements

ANNEX 7

**Statement of
Post Office Savings Bank**

**THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS
POST OFFICE SAVINGS BANK STATEMENT
FOR YEAR ENDED 30 JUNE 2011**

	2011 B\$	2010 B\$
Balance as at 1st. July	6,682,395	6,356,710
Add:		
Receipts from Interest income	<u>327,050</u>	<u>325,685</u>
	7,009,445	6,682,395
Deduct:		
Bank Service Charge	<u>0</u>	<u>0</u>
	0	0
Balance as at 30th. June	<u><u>7,009,445</u></u>	<u><u>6,682,395</u></u>

See accompanying notes to the financial statements

ANNEX 8

**Statement of
The Public Officers' Loan Fund**

**THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS
PUBLIC OFFICERS' LOAN FUND STATEMENT
FOR YEAR ENDED 30 JUNE 2011**

		2011 B\$		2010 B\$
Outstanding Principal Balances b/f		1,403,808		705,115
Less: Principal Repayments	(838,542)		(973,190)	
Principal Repayments		<u>(838,542)</u>		<u>(973,190)</u>
Add: Loans made in period	663,874	565,266	763,870	(268,075)
Add: Interest (Prior Period)	0		746,370	
Add: Interest (Current Period)	0		154,640	
Add: Refunds	30,471		7,002	
		<u>694,345</u>		<u>1,671,862</u>
Ending Principal Balances c/f		<u>1,259,611</u>		<u>1,403,808</u>

See accompanying notes to the financial statements

ANNEX 9

**Notes of
The Financial Statements**

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2011**

1. Reporting Entity

The Financial Statements for the Commonwealth of the Bahamas are presented to Parliament annually and contain the following, statement of cash flow, statement of revenue and expenditure, balance sheet along with other detail statements required by the Financial Administration and Audit Act.

The cash flow statement is the main statement. The statement of revenue and expenditure consist of two separate statements recurrent and capital as this is a requirement of the Financial Administration and Audit Act. The Balance Sheet only reports cash and cash equivalents except for the receivables (dishonoured cheques).

The Financial Statements are prepared by the Public Treasury Department of the Commonwealth of the Bahamas and are governed by the Constitution, the Financial Administration and Audit Act 1973, 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 the Commonwealth of the Bahamas.

The Financial Administration and Audit Act 1973, 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 financial statements have been prepared on the modified cash basis and guided by International Public Sector Accounting Standards (IPSAS). We however do not prepare consolidated statements and hence do not report on quasi-government entities. All quasi-government entities report individually to Parliament.

Reporting currency

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

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2011**

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, and 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 expensed in the year they are purchased. However there is a separate capital statements that reports on all capital purchases during the year. A number of Agencies maintain an asset register either electronically or manually.

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.

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 GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2011**

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

Further authority for recurrent and capital expenditure is also 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	ACTUAL	UNDER/(OVER)
		RECURRENT REVENUE 2010/2011	RECURRENT REVENUE 2010/2011	THE ESTIMATES
901	IMPORT AND EXPORT DUTIES	489,857,893	366,977,999	122,879,894
902	EXCISE TAX	207,954,341	253,718,894	(45,764,553)
903	PROPERTY TAX	106,000,000	92,115,068	13,884,932
904	MOTOR VEHICLE TAX	42,310,371	36,773,633	5,536,738
905	GAMING TAX	15,500,000	17,889,272	(2,389,272)
906	TOURISM TAX	137,477,950	144,061,241	(6,583,291)
907	STAMP TAX	234,460,120	274,015,656	(39,555,536)
908	COMPANY FEES	25,348,135	22,693,774	2,654,362
909	BANK AND TRUST COMPANY FEES	22,356,309	20,881,900	1,474,409
910	INSURANCE COMPANY FEES	15,256,818	11,962,812	3,294,006
911	OTHER TAXES	565,750	544,875	20,875
	TAX REVENUE SUB-TOTAL	1,297,087,687	1,241,635,126	55,452,562
919	FEES AND SERVICE CHARGES REVENUE FROM GOVERNMENT PROPER	150,519,238	164,506,723	(13,987,485)
920		16,105,630	15,844,998	260,632
921	INTEREST AND DIVIDENDS REIMBURSEMENT AND LOAN REPAYMENT	21,322,377	23,182,139	(1,859,762)
922		137,335	42,244	95,091
923	SERVICE OF A COMMERCIAL NATURE	7,266,031	6,782,508	483,525
	NON-TAX REVENUE SUB-TOTAL	195,350,611	210,358,610	(15,007,999)
	TOTAL REVENUE	1,492,438,298	1,451,993,736	40,444,563

Details regarding the recurrent revenue are contained in Annex 1 pages 3-30.

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2011**

5. Recurrent Expenditure

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

Summary of Recurrent Expenditure

HEAD	MINISTRY/DEPARTMENT	APPROVED ESTIMATES 2010/2011	ACTUAL RECURRENT EXPENDITURE 2010/2012	UNDER/ (OVER) THE APPROVED ESTIMATES	SUPP. APPROP. AUTHORIZED
1	THE GOVERNOR GENERAL & STAFF	1,221,971	1,376,587	(154,616)	272,881
2	THE SENATE	215,215	231,116	(15,901)	31,594
3	THE HOUSE OF ASSEMBLY	2,291,470	2,255,611	35,869	11,536
4	THE DEPARTMENT OF THE AUDITOR-GENERAL	1,981,793	1,834,677	147,116	0
5	DEPARTMENT OF PUBLIC SERVICE	141,329,150	130,613,241	10,715,909	695,655
6	CABINET OFFICE	5,145,648	5,144,440	1,208	367,316
7	OFFICE OF THE ATTORNEY-GENERAL AND MINIS	10,532,866	11,666,793	(1,133,907)	1,726,410
8	JUDICIAL DEPARTMENT	8,769,216	7,805,715	963,501	270,690
9	COURT OF APPEAL	2,352,027	1,803,745	548,282	0
10	REGISTRAR-GENERAL'S DEPARTMENT	3,516,211	3,205,728	310,483	58,853
11	PRISON DEPARTMENT	20,175,053	22,022,884	(1,847,831)	2,368,912
12	PARLIAMENTARY REGISTRATION DEPARTMENT	2,162,550	2,931,251	(768,701)	903,220
13	MINISTRY OF FOREIGN AFFAIRS	21,998,344	21,707,148	291,196	14,517
14	OFFICE OF THE PRIME MINISTER	3,692,575	2,796,615	895,960	0
16	BAHAMAS INFORMATION SERVICES	2,334,100	2,331,586	2,514	36,121
17	GOVERNMENT PRINTING DEPARTMENT	2,005,271	1,973,054	32,217	49,468
18	DEPARTMENT OF LOCAL GOVERNMENT	22,790,408	23,133,293	(342,885)	739,272
19	DEPARTMENT OF PHYSICAL PLANNING	788,090	624,932	163,158	0
20	DEPARTMENT OF LANDS AND SURVEYS	2,637,736	2,201,389	436,347	0
21	MINISTRY OF FINANCE	26,372,992	126,190,326	(99,817,334)	102,889,617
22	TREASURY DEPARTMENT	10,648,340	12,038,373	(1,390,033)	2,781,142
23	CUSTOMS DEPARTMENT	25,527,147	25,347,191	179,956	0
24	DEPARTMENT OF STATISTICS	6,431,815	5,847,630	584,185	0
25	MAGISTRATE'S COURTS	5,113,915	4,311,752	802,163	0
26	PUBLIC DEBT SERVICING - INTEREST	208,363,990	201,714,465	6,649,525	0
27	PUBLIC DEBT SERVICING - REDEMPTION	74,785,828	77,496,065	(2,730,237)	5,000,000
29	MINISTRY OF NATIONAL SECURITY	1,934,761	1,780,160	154,601	0
30	DEPARTMENT OF IMMIGRATION	14,150,641	13,373,664	776,977	0
31	ROYAL BAHAMAS POLICE FORCE	118,747,813	123,466,661	(4,718,848)	5,235,418
32	ROYAL BAHAMAS DEFENCE FORCE	46,787,063	46,183,450	603,613	1,363,442
33	MINISTRY OF PUBLIC WORKS & TRANSPORT	26,891,104	27,095,742	(404,638)	669,846
34	DEPARTMENT OF PUBLIC WORKS	17,497,359	16,451,325	1,046,034	0
35	DEPARTMENT OF EDUCATION	187,372,622	187,261,286	111,336	2,813,049
36	BAHAMAS TECHNICAL & VOCATIONAL INSTITUTE	5,548,348	5,078,924	469,424	89,939
37	DEPARTMENT OF ARCHIVES	1,914,711	1,672,484	242,227	19,887

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2011**

	APPROVED ESTIMATES 2010/2011	ACTUAL RECURRENT EXPENDITURE 2010/2012	UNDER/ (OVER) THE APPROVED ESTIMATES	SUPP. APPROP. AUTHORIZED
38 MINISTRY OF EDUCATION	41,136,357	39,184,796	1,951,561	0
39 COLLEGE OF THE BAHAMAS	22,247,778	22,247,778	0	0
41 THE SIMPSON PENN CENTRE FOR BOYS	999,234	912,875	86,359	39,175
42 THE WILLAMAE PRATT CENTRE FOR GIRLS	979,331	845,781	133,550	48,040
44 DEPARTMENT OF SOCIAL SERVICES	32,323,288	35,562,342	(3,239,054)	3,851,850
45 DEPARTMENT OF HOUSING	1,313,376	1,144,366	169,010	15,035
46 MINISTRY OF HOUSING	1,573,702	1,439,752	133,950	30,759
47 MINISTRY OF YOUTH, SPORTS & CULTURE	18,183,440	18,148,076	35,364	1,353,967
48 DEPARTMENT OF LABOUR	2,294,823	2,216,795	78,028	0
51 POST OFFICE DEPARTMENT	8,060,896	8,136,998	(76,102)	140,000
52 DEPARTMENT OF CIVIL AVIATION	12,458,308	13,794,316	(1,335,918)	2,325,871
53 PORT DEPARTMENT	5,368,448	5,085,867	282,581	141,215
54 DEPARTMENT OF ROAD TRAFFIC	5,079,230	4,978,677	100,553	16,499
55 DEPARTMENT OF METEOROLOGY MINISTRY OF AGRICULTURE & MARINE RESOURC	2,324,418	2,119,318	205,100	0
56 DEPARTMENT OF AGRICULTURE	4,957,055	4,624,928	332,127	0
57 DEPARTMENT OF MARINE RESOURCES	7,411,776	6,518,505	893,271	68,068
58 MINISTRY OF HEALTH	2,474,200	1,916,531	557,669	10,677
60 THE PUBLIC HOSPITALS AUTHORITY DEPARTMENT ENVIRONMENTAL HEALTH SERVICES	12,861,386	11,193,656	1,667,730	363,300
63 DEPARTMENT OF PUBLIC HEALTH	179,438,738	183,438,338	(3,999,600)	4,000,000
65 THE GAMING BOARD	34,356,883	35,890,324	(1,533,641)	2,939,921
66 AIRPORT AUTHORITY	31,072,752	29,952,368	1,120,384	1,048,900
67 MINISTRY OF TOURISM & AVIATION	77,189,363	68,313,574	7,875,789	63,240
68 MINISTRY OF LABOUR & SOCIAL DEVELOPMENT	5,980,313	5,483,207	497,106	0
69 MINISTRY OF THE ENVIRONMENT	886,670	8,429,871	(7,541,201)	8,429,871
70	7,155,195	6,729,672	425,523	0
72	2,040,180	1,892,817	147,363	0
TOTAL RECURRENT EXPENDITURE	1,553,977,193	1,642,170,831	(88,193,638)	153,315,153

Details by head and line item are contained in Appendix 1 pages 34-544.

6. Borrowings and Other Capital Income

During the fiscal year under review \$234,993,200 was borrowed via Bahamas Government Registered Stocks and \$53,848,854 was drawn-down from various loans (see details in the Statement of Public Debt). The major portion of Other Capital Income (\$210 million) represents the proceeds from the sale of 51% of Shares in Bahamas Telecommunications Company. In accordance with the sales agreement Stamp duty totaling \$7million was payable. \$6.3 million was paid from the proceeds resulting in the net proceeds \$203.7million and the balance of \$700,000 was paid by the company.

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2011**

Summary of Borrowings Grants and Other Capital Revenue

HEAD	DESCRIPTION	ESTIMATED	ACTUAL	OVER/(UNDER)
		REVENUE 2010/2011	REVENUE 2010/2011	THE ESTIMATES
940	CAPITAL REVENUE	25,000,000	203,731,170	(178,731,170)
960	GRANTS	11,900,000	50,000	11,850,000
970	PROCEEDS FROM BORROWINGS	289,968,022	288,842,054	1,125,968
TOTAL CAPITAL REVENUE		326,868,022	492,623,224	(165,756,202)

Details regarding Borrowings and Other Capital Income are contained in Annex 1 pages 546-548.

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 2010/2011	EXPENDITURE 2010/2011	THE ESTIMATES	APPROP. AUTHORIZED
11	PRISON DEPARTMENT	400,000	399,518	482	.00
21	SUNDRY CAPITAL EXPENDITURE	74,390,991	108,504,428	(34,113,437)	39,582,586
23	CUSTOMS DEPARTMENT	1,275,000	749,414	525,586	.00
29	MINISTRY OF NATIONAL SECURITY	1,000,000	468,777	531,223	.00
31	ROYAL BAHAMAS POLICE FORCE	1,213,200	1,132,472	80,728	.00
32	ROYAL BAHAMAS DEFENCE FORCE	2,114,743	1,946,665	168,078	.00
33	MINISTRY OF PUBLIC WORKS & TRANSPORT	140,009,484	142,144,038	(2,134,554)	28,911,000
38	MINISTRY OF EDUCATION	17,289,757	10,790,192	6,499,565	.00
39	THE COLLEGE OF THE BAHAMAS	2,000,000	2,000,000	0	.00
45	DEPARTMENT OF HOUSING	1,100,000	1,278,854	(178,854)	200,000
47	DEPARTMENT OF YOUTH, SPORTS & CULTURE	1,388,326	1,054,731	333,594	.00
52	DEPARTMENT OF CIVIL AVIATION MIN. OF AGRICULTURE AND MARINE RESOURCES	1,788,300	622,647	1,165,653	.00
56		2,833,543	1,337,723	1,495,820	.00
60	MINISTRY OF HEALTH	1,230,000	967,107	262,893	.00
63	PUBLIC HOSPITAL AUTHORITY	3,586,775	3,586,775	0	.00
TOTAL		251,620,118	276,983,338	(25,363,220)	68,693,566

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2011**

Details by head and line item are contained in Annex 1 pages 550-575.

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 Public Treasury Bills Act chapter 351. 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 \$48 million was repaid.

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 \$23 million was repaid.

10. Other Advances and Deposits

This amount includes contingency fund deposits (\$62m) monthly salary deductions (\$27m), Sinking fund deposits (\$6.7m), unclaimed cheques (\$3.5) and other miscellaneous advances and deposits (\$2.6m). These amounts are paid in subsequent year/s.

11. Net Surplus/ (Deficit)

The net deficit is financed by the overdraft facility.

12. Cash & Bank Balances

Consolidated Fund	2011	2010
New Providence, Freeport & Abaco sub-offices (A/c 101,102,103,105)	(135,538,753) *	(175,498,941)
Family Island (A/c 104,323,324,)	7,310,455	6,992,872
Sub-Total	(128,228,298)	(168,506,069)
Deposits Fund		
New Providence & Freeport (A/c 101,102,103,105.)	34,708,174	27,710,965
Family Island (A/c 104, 323, 324,)	7,556,187	6,846,043
Sub-Total	42,264,361	34,557,008
Total	(85,963,937)	(133,949,061)

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2011**

* This amount excludes the sinking fund amount of \$24,315,185 which is shown as a separate line on Balance Sheet.

13. Sinking Funds

Sinking funds have been established to facilitate periodic deposits from the Consolidated Fund and interests earned from investment of the same for 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 2011, the sinking fund balance was \$202,787.
- 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 2011, the sinking fund balance was \$18,633,661.
- 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 2011, the sinking fund balance was \$3,420,884.
- 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 2011, the sinking fund balance was \$2,261,042.

14. Accounts Receivable

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 as an accounts receivable until these cheques are honoured.

15. Investments

This investment 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.

16. Deposits and Withdrawals

- (a) The amounts shown equal actual deposits and advances on the Consolidated Fund account with respect to Treasury Bills, Central Bank Advances and other miscellaneous deposits and payments made within the year under review.

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2011**

- (b) The amounts shown equal actual deposits and repayments made from the Deposits Fund with respect to Land acquisition, Stores/Inventory, Postal Transactions, fines and other miscellaneous deposits and payments made within the year under review.

17. Inter- Fund Transfers

During the year in review the amount \$5,696,588 was transferred from the Consolidated Fund to the Deposits Fund.

18. Post Office Savings Bank (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.

There were no re-imburements 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 for the year under review.

19. Public Officers' Loan Fund

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 14 Sub-section 2 (d) of the Financial Administration and Audit Act 1973 and paid from the Deposit Fund Account. These loans/advances attract interest at the prime rate. The amounts outstanding as at June 30, 2010 and June 30, 2011 are \$1,403,808 and \$1,259,611 respectively.

20. Inactive and Dormant Accounts

Included in the Cash and Bank, the Current Account and the Deposit Fund Account Balances are inactive and dormant account amounts. These accounts have been referred to the Minister of Finance for consideration for write-off/removal. The enactment of the new Financial Administration and Audit Act 2010 in October 2011, now gives the authority to write off these inactive and dormant accounts.

**THE GOVERNMENT OF THE COMMONWEALTH OF BAHAMAS.
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2011**

21. Confiscated Asset Fund

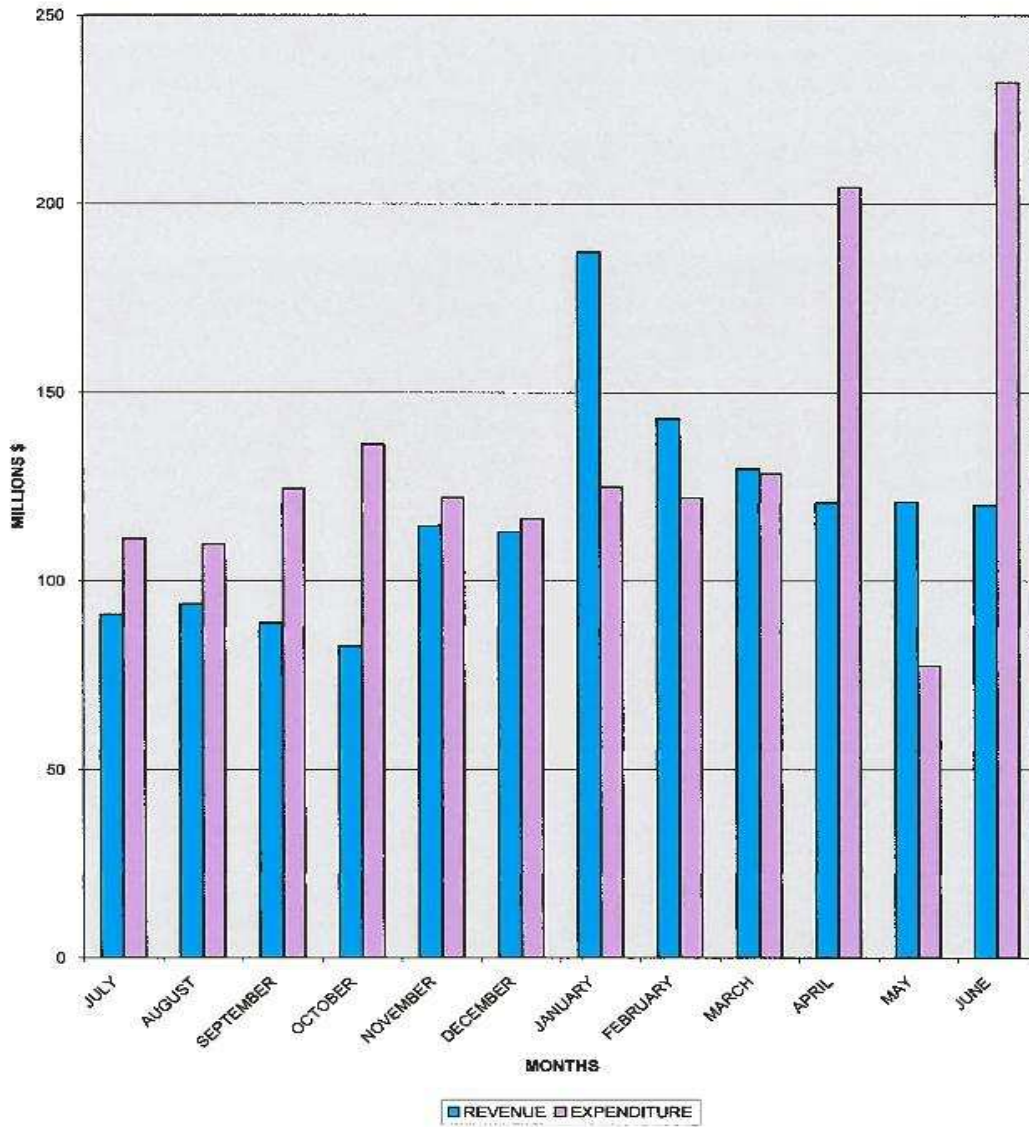
The Confiscated Asset Fund Statements are presented under separate cover in accordance with the Proceeds from Crime Act and therefore are not included in these Statements. The assets of the said fund are under management of the Minister of Finance and as at 30 June 2011, the balance of the fund was \$8,735,572 .

ANNEX 10

Graphs of Revenue and Expenditure

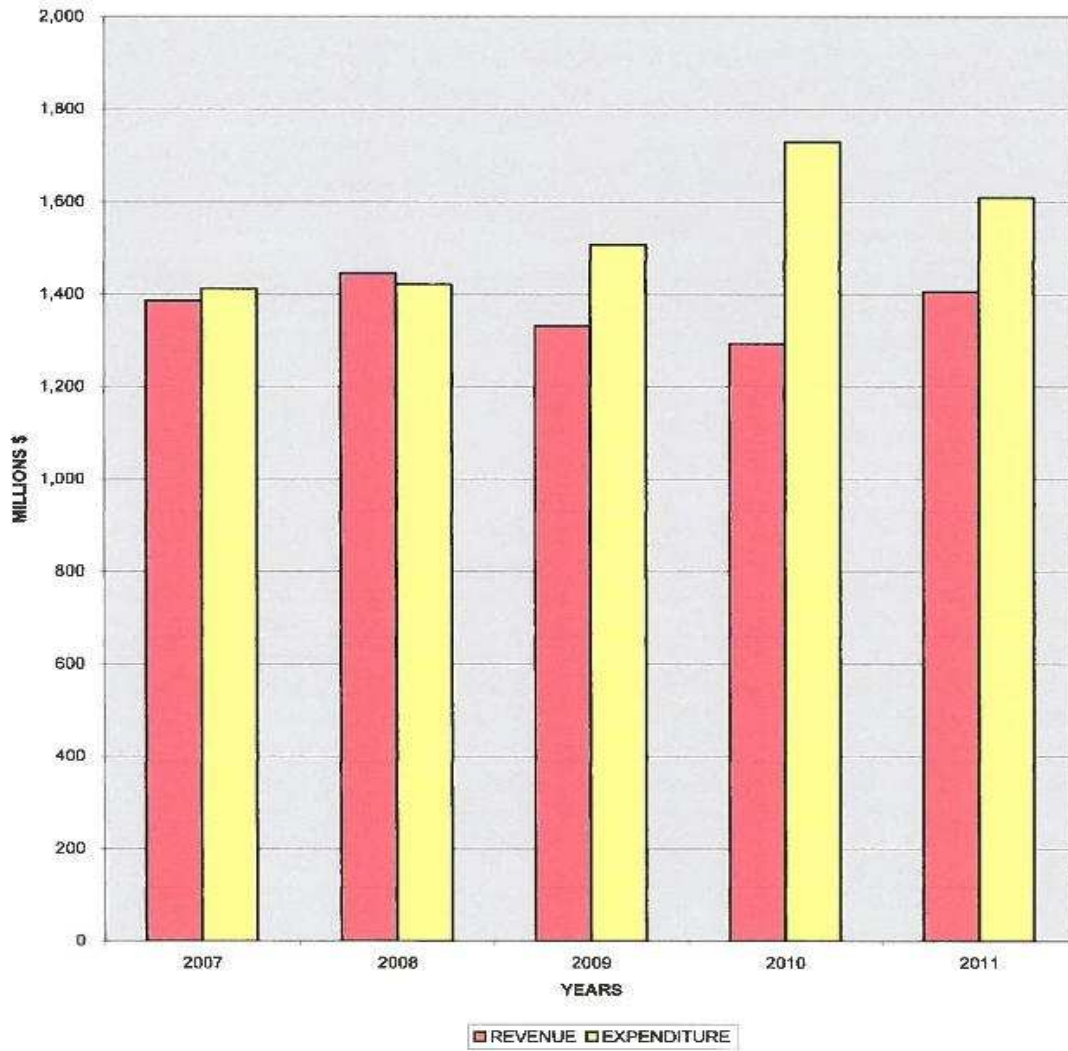
THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

REVENUE & EXPENDITURE FOR YEAR ENDED 30 JUNE, 2011



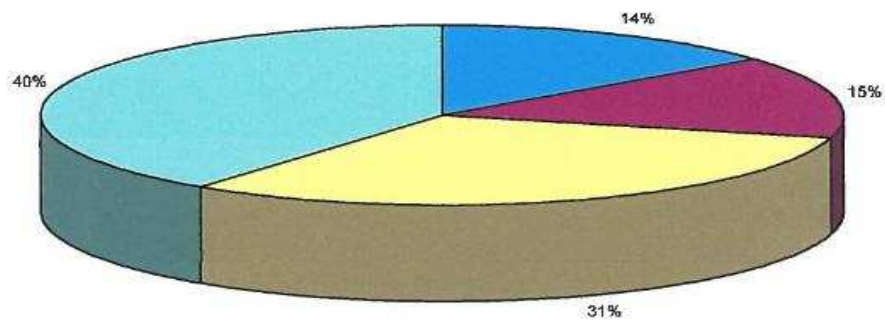
THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

REVENUE & EXPENDITURE FOR FIVE (5) YEAR PERIOD 2007-2011



THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

PIE CHART OF EXPENDITURE FOR YEAR ENDED 30 JUNE, 2011



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

ANNEX 11

Statement of the Public Debt

COMMONWEALTH OF THE BAHAMAS
 PUBLIC DEBT STATEMENT
 FOR YEAR ENDED
 30 JUNE 2011

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	SINKING FUND
1 Bahamas Government Registered Stock			3,175,266,600	3,163,522,600	55,000,000	639,886,000	2,468,636,600	
2 Loans Syndicated and payable in Bahamian \$			472,873,475	401,873,475	8,103,000	36,428,153	357,342,322	2,463,829
3 Loans Syndicated and payable in US Dollars other Currencies			1,091,725,458	926,711,863	8,764,058	490,397,691	427,550,114	22,054,143
TOTAL			4,739,865,532	4,492,107,938	71,867,058	1,166,711,844	3,253,529,036	24,517,971

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	FUND	REMARKS
BAHAMAS GOVT REGISTERED STOCK									
1 \$10.0m Treasury Stock (15/16% above prime) (27/9/92) Maturing 2005	1992	2006	10,000,000	10,000,000	10,000,000	10,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated December, 1991.
2 \$12.6m Treasury Stock (29/07/92) (3/4 & 13/16% above prime) Maturing 2003 & 2004	1992	2003/2004	12,600,000	12,600,000	12,600,000	12,600,000	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated November 8, 1991.
3 \$15.0m Treasury Stock (19/7/90) (9 1/4%) Maturing 2002	1990	2002	15,000,000	15,000,000	15,000,000	15,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated November 21, 1989.
4 \$20.0m Treasury Stock (31/07/86) (6 3/4%) Maturing 2006	1986	2006	20,000,000	20,000,000	20,000,000	20,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated December 17, 1985.
5 \$20.0m Treasury Stock (6/2/90) (9% & 9 1/2%) Maturing 1997 & 2005	1990	1997/2005	20,000,000	20,000,000	20,000,000	20,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated May 21, 1988.
6 \$8.256m Treasury Stock (16/12/92) (5/8 & 3/4 above prime rate) Maturing 2001 & 2003	1992	1998/2003	20,000,000	8,256,000	8,256,000	8,256,000	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated December 21, 1991.
7 \$20.0m Treasury Stock (5/10/93) (9/16, 5/8% above prime) Maturing 2009 & 2010	1993	2009/2010	20,000,000	20,000,000	10,000,000	10,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated June 21, 1991.
8 \$25.0m Treasury Stock (17/03/86) (10 & 10 1/2%) Maturing 1996 & 2006	1986	1996/2006	25,000,000	25,000,000	25,000,000	25,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated December 27, 1985.
9 \$25.0m Treasury Stock (8%, 8 1/2% & 8 3/4%) (20/07/88) Maturing 1994, 1998 & 2003	1988	2003	25,000,000	25,000,000	25,000,000	25,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated December 17, 1985.
10 \$25.0m Treasury Stock (8/10/87) (7 3/4% & 8 3/4%) Maturing 1996 & 2012	1987	1996/2012	25,000,000	25,000,000	5,000,000	20,000,000	20,000,000		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated December 21st, 1985.

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	SINKING FUND	REMARKS
11 \$25m Treasury Stock (9/5/91) (1/4%, 1/2% & 1% above prime) Maturing 1997, 2001 & 2007 1997-2007	1991	1997/2007	25,000,000	25,000,000	25,000,000	25,000,000	0		Minors Registered Stock Act 1973 and dated November 31, 1992.
12 \$25m Treasury Stock (05/03/92) (1/4% 3/4% above prime) Maturing 2002 & 2004	1992	2002/2004	25,000,000	25,000,000	25,000,000	25,000,000	0		Minors Registered Stock Act 1973 and Resolution of The House of Assembly dated November 31st, 1991.
13 \$25m Treasury Stock (1/11/91) (1/4, 1/2, 3/4% above prime) Maturing 2002, 2003 & 20 1991	2002/2004	2002/2004	25,000,000	25,000,000	25,000,000	25,000,000	0		Minors Registered Stock Act 1973 Assembly dated November 6, 1991.
14 \$25m Treasury Stock (02/08/92) (7/8% above prime) Maturing 2005	1992	2005	25,000,000	25,000,000	25,000,000	25,000,000	0		Minors Registered Stock Act 1973 Assembly dated November 6th, 1991.
15 \$45.0m Treasury Stock (1/2, 5/8, 7/8, 1 1/16, 1 3/16, 1 1/4 % above prime) (23/9/96) Maturing 2004, 2006, 2010, 2013, 2015, & 2016	1996	2010/2016	45,000,000	45,000,000	5,000,000	10,000,000	30,000,000		Minors Government Stock Act and by Resolution of The House of Assembly dated June 15, 1995 and June 31, 1996.
16 \$28.3m Treasury Stock (08/10/92) (5/16, 3/8, 9/16 & 11/16 above prime) Maturing 1999, 1997, 2000 & 2002	1992	1996/2002	28,300,000	28,300,000	28,300,000	28,300,000	0		Minors Government Stock Act 1973 and Resolution of The House of Assembly dated December 21, 1991.
17 \$30.0m Treasury Stock (08/2/97) (1 1/8, 1 7/8 % above prime) 2015 & 2016	1997	2015/2016	30,000,000	30,000,000	0	0	30,000,000		Minors Government Stock Act and Assembly.
18 \$35.0m Treasury Stock (8%, 8 1/2% & 9%) (1/5/3/88) Maturing 1993, 1998 & 2013	1988	1993/2013	35,000,000	35,000,000	15,000,000	15,000,000	20,000,000		Minors Registered Stock Act 1973 and Resolution of The House of Assembly dated December 17, 1997.
19 \$35m Treasury Stock (30/7/91) (8 3/4, 9% per annum & 1/8%, & 1/4% above prime) Matur. 1998, 2001, 2002, 200 1991	1998/2003	1998/2003	35,000,000	35,000,000	35,000,000	35,000,000	0		Minors Registered Stock Act 1973 and Resolution of The House of Assembly dated December 21st, 1990.

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	SINKING FUND	REMARKS
20 \$45.0m Treasury Stock (18/3/93) (5/8, 3/4, 13/16, 7/8, 15/16, 3/16, 1, 3/16, 1 3/16% above prime) Maturing 1999, 2001, 2002, 2003, 2004, 2005, 2008	1993	1999/2008	45,000,000	45,000,000	45,000,000	45,000,000	0	D	Michigan Registered Stock Act 3173 and by Resolution of The House of Assembly dated December 3, 1993.
21 \$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	5,000,000	0	42,000,000		Michigan Registered Stock Act 3173 and by Resolution of The House of Assembly dated December 3, 1993.
22 \$50.0m Treasury Stock (13/1/200) 1%, 1 1/8%, 1 1/4%, 1 3/8% & 1 1/2% above prime rate Maturing 1997, 2001, 2004 & 2005	1997	2005	50,000,000	50,000,000	50,000,000	50,000,000	0		Michigan Registered Stock Act 3173 and by Resolution of The House of Assembly dated December 3, 1993.
23 \$55.0m Treasury Stock (25/04/94) (5 7/8%, 6 3/8%, 6 5/8%, 6 3/4% & 7% Maturing 2007, 2008, 2009, 2011, 1994 & 2011	1994	2007/2011	55,000,000	55,000,000	10,000,000	45,000,000	0		Michigan Registered Stock Act 3173 and by Resolution of The House of Assembly dated March 3, 1994.
24 \$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	0		Michigan Registered Stock Act 3173 and by Resolution of The House of Assembly dated June 16th, 1994.
25 \$25.0m Treasury Stock (18/05/95) (1% above prime) Maturing 2013	1995	2013	25,000,000	25,000,000	0	25,000,000	0		Michigan Registered Stock Act 3173 and by Resolution of The House of Assembly dated June 16th, 1995.
26 \$29.0m Treasury Stock (14/6/95) (13/16 & 7/8 above prime) Maturing 2010 & 2011	1995	2010/2011	29,000,000	29,000,000	15,000,000	14,000,000	0		Michigan Registered Stock Act 3173 and by Resolution of The House of Assembly dated June 16th, 1995.
27 \$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	20,000,000	0		Michigan Registered Stock Act 3173 and by Resolution of The House of Assembly dated June 16th, 1996.
28 \$40.0m Treasury Stock (07/5/96) (11/16, 3/4, 13/16, 15/16% above prime) Maturing 2007, 2008, 2009, 2011, 1996	1996	2007/2011	40,000,000	40,000,000	10,000,000	30,000,000	0		Michigan Registered Stock Act 3173 and by Resolution of The House of Assembly dated June 16th, 1996.
29 \$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	40,000,000	0	40,000,000		Michigan Registered Stock Act 3173 and by Resolution of The House of Assembly dated June 16th, 1996.

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	SINKING FUND	REMARKS
30 \$50.0m Treasury Stock (15/10/97) (17/32%, 9/16%, 19/32%, 5/6% above prime) maturing 2014, 2015, 2016 & 2017	1997	2014/2017	50,000,000	50,000,000	0	0	50,000,000		Resolved by Resolution of the House of Assembly dated 11th June 1997.
31 \$50.0m Treasury Stock (15/10/97) (1 1/8%, 1 3/16%, 1 1/4% above prime rate) maturing 2015, 2016 & 2017	1987	2015/2017	50,000,000	50,000,000	0	0	50,000,000		Resolved by Resolution of the House of Assembly dated 11th June 1997.
32 \$21.0m Treasury Stock (08/4/98) (7/18%, & 1/2% above prime rate) maturing 2012 & 2014	1998	2012/2014	21,000,000	21,000,000	0	0	21,000,000		Resolved by Resolution of the House of Assembly dated 11th June 1997.
33 \$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	0	0	50,000,000		Resolved by Resolution of the House of Assembly dated 11th June 1997.
34 \$26.0m Treasury Stock (26/2/99) (7/32%, 5/16% & 9/16% above prime rate) Maturing 2007, 2010, & 2018	1999	2007/2018	26,000,000	26,000,000	16,000,000	16,000,000	10,000,000		Resolved by Resolution of the House of Assembly dated 11th June 1997.
35 \$30.0m Treasury Stock (9/32%, 5/16%, & 19/32% above prime rate) Maturing 2008, 2009 & 2018	1998	2008/2018	30,000,000	30,000,000	20,000,000	20,000,000	10,000,000		Resolved by Resolution of the House of Assembly dated 11th June 1997.
36 \$20.73m Treasury Stock (1/8%, 5/32% above prime rate) (1/15/99) Maturing 2005 & 2006	1999	2005/2006	20,730,000	20,730,000	20,730,000	20,730,000	0		Resolved by Resolution of the House of Assembly dated 11th June 1997.
37 \$50.0m Treasury Stock (21/7/99) (7/32%, 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	0	0	50,000,000		Resolved by Resolution of the House of Assembly dated 11th June 1997.
38 \$28.0m Treasury Stock (15/11/99) (3/8%, 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		Resolved by Resolution of the House of Assembly dated 11th June 1997.

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	SINKING FUND	REMARKS
39 \$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		by Resolution of the House of Assembly dated June 11th, 2009
40 \$25.8M Treasury Stock (27/10/00) (9/32%, 15/32%, & 1/2% above prime rate) Maturing 2013, 2019, & 2020	2000	2013/2020	25,800,000	25,800,000	0	0	25,800,000		by Resolution of the House of Assembly dated June 19th, 2009
41 \$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		by Resolution of the House of Assembly dated June 20, 2002
42 \$40.9478M Treasury Stock (12/12/01) (5/32, 1/2, 17/32, 9/16) Maturing 2018-2021	2001	2018/2021	40,947,800	40,947,800	0	0	40,947,800		by Resolution of the House of Assembly dated December 20th, 2001
43 \$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		by Resolution of the House of Assembly dated June 19, 2003 - June 06, 2003
44 \$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		by Resolution of the House of Assembly dated June 19, 2002
45 \$65.0M Treasury Stock (04/12/02) (3/16, 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		by Resolution of the House of Assembly dated June 19th, 2002
46 \$61.1M Treasury Stock (08/04/03) (1/4, 5/16, 11/32, 3/8) Maturing 2019, 2021, 2021, 2022 & 2023	2003	2019/2023	61,100,000	61,100,000	0	0	61,100,000		by Resolution of the House of Assembly dated June 19, 2002
47 \$75.0M Treasury Stock (21/07/03) (3/32, 3/16, 11/32, 3/8) Maturing 2014, 2017, 2022 & 2023	2003	2014/2023	75,000,000	75,000,000	0	0	75,000,000		by Resolution of the House of Assembly dated June 30, 2002

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	SINKING FUND	REMARKS
48 \$23,289.8M Treasury Stock (09/02/04) (1/1/32, 3/8) Maturing 2023-2024	2004	2023/2024	23,289,800	23,289,800	0	0	23,289,800		by Resolution of the House of Assembly dated June 30th, 2004
49 \$100.0m Treasury Stock (28/07/04)(1/32, 1/8, 3/16, 7/32, 1/4, 9/32, 5/16) Maturing 2015, 2016, 2018, 2021, 2022, 2023 & 2024	2004	2015/2024	100,000,000	100,000,000	0	0	100,000,000		by Resolution of the House of Assembly dated June 30th, 2004
50 \$100.0M Treasury Stock (22/10/04)(1/32, 1/16, 3/32, 5/32, 1/4, 9/32, 5/16) Maturing 2015, 2016, 2017, 2019, 2022, 2023, 2024	2004	2015/2024	100,000,000	100,000,000	0	0	100,000,000		by Resolution of the House of Assembly dated June 30th, 2004
51 \$40.0M Treasury Stock (27/04/05)(7/32, 1/4, 9/32, 5/16) Maturing 2022-2025	2005	2022/2025	40,000,000	40,000,000	0	0	40,000,000		by Resolution of the House of Assembly dated April 27th, 2005
52 \$40.4666M Treasury Stock (28/06/05) (1/8, 1/4, 9/32) Maturing 2020, 2024, & 2025	2005	2020/2025	40,466,600	40,466,600	0	0	40,466,600		by Resolution of the House of Assembly dated July 15th, 2005
53 \$75.0M Treasury Stock (07/09/05)(5/32, 3/16, 7/32, 1/4, 9/32, 5/16) Maturing 2021-2025	2005	2021/2025	75,000,000	75,000,000	0	0	75,000,000		by Resolution of the House of Assembly dated June 30th, 2005
54 \$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		by Resolution of the House of Assembly dated June 30th, 2006
55 \$25.894M Treasury Stock (30/06/05) (3/8) Maturing 2025	2005	2025	25,894,000	25,894,000	0	0	25,894,000		by Resolution of the House of Assembly dated June 30th, 2005
56 \$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		by Resolution of the House of Assembly dated June 30th, 2006

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	FUND	REMARKS
57 \$100M Treasury Stock (22/09/06)(5/32, 3/16, 7/32, 1/4 2006) Maturing 2021, 2022, 2023, 2024, 2025 & 2026	2006	2021/2026	100,000,000	100,000,000	0	0	100,000,000		Release Registered Stock Mt. 1977 Assembly dated June 14, 2006
58 \$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		Release Registered Stock Mt. 1973 Assembly dated June 14, 2006
59 \$45,284M Treasury Stock (09/05/07)(5/16) Maturing 2027	2007	2027	45,284,000	45,284,000	0	0	45,284,000		Release Registered Stock Mt. 1973 Assembly dated June 14, 2006
60 \$100M Treasury Stock (26/07/07) Maturing 2027, 2035 & 2037	2007	2027/2037	100,000,000	100,000,000	0	0	100,000,000		by Resolution of the House of Assembly dated June 14, 2007
61 \$35M Treasury Stock (08/10/07) Maturing 2027, 2028 & 2029	2007	2027/2029	35,000,000	35,000,000	0	0	35,000,000		by Resolution of the House of Assembly dated June 14, 2007
62 \$31,509M Treasury Stock (28/11/07) Maturing 2018, 2020, 2027 & 2030	2007	2018/2030	31,509,900	31,509,900	0	0	31,500,900		by Resolution of the House of Assembly dated June 14, 2007
63 \$100M Treasury Stock (22/09/06) Maturing 2028, 2029, 2030, 2031, 2032, & 2033	2008	2028/2033	100,000,000	100,000,000	0	0	100,000,000		by Resolution of the House of Assembly dated June 14, 2008
64 \$107,226M Treasury Stock (06/01/06) Maturing 2028, 2029, 2030, 2031, 2032 & 2033	2008	2028/2033	107,226,000	107,226,000	0	0	107,226,000		by Resolution of the House of Assembly dated June 14, 2008
65 \$150M Treasury Stock (27/06/09) Maturing 2028, 2029 & 2030	2009	2028/2030	150,000,000	150,000,000	0	0	150,000,000		by Resolution of the House of Assembly dated June 14, 2009
66 \$59,7243M Treasury Stock (26/04/10) Maturing 2028, 2029 & 2030	2010	2028/2030	59,724,300	59,724,300	0	0	59,724,300		by Resolution of the House of Assembly dated June 14, 2010
67 \$100M Treasury Stock (26/07/10) Maturing 2028, 2029, 2031, 2034, & 2037	2010	2028/2037	100,000,000	100,000,000	0	0	100,000,000		by Resolution of the House of Assembly dated June 14, 2010

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	SINKING FUND	REMARKS
68 \$100M Treasury Stock (19/10/10) Maturing 2015, 2017, 2019 & 2030	2010	2015/2030	100,000,000	100,000,000	0	0	100,000,000		by _____ dated _____
69 \$34,993,200 Treasury Stock (10/12/10) Maturing 2026, 2027, 2028 & 2029	2010	2026/2029	34,993,200	34,993,200	0	0	34,993,200		by _____ dated _____ June 11, 2007
			3,175,266,600	3,163,522,600	55,000,000	639,886,000	2,466,636,600		
LOANS SYNDICATED IN BAHAMIAN DOLLARS									
1 Central Bank of the Bahamas Advances			96,987,608	73,987,608	0	0	73,987,608		Section 35 of The Central Bank of The Bahamas Act 1974.
2 Treasury Bills			301,609,000	253,609,000	0	0	253,609,000		Section 3 of The Bills Act.
3 5% HARCOURT MALCOLM Property Loan 1962/2023	1964	2023	245,714	245,714	0	0	245,714	202,787	The Harcourt Malcolm Property Purchase Act (1962-1967).
4 Bank of Montreal Purchase Loan 7130 Bank of The Bahamas	1991		10,000,000	10,000,000	5,000,000	5,000,000	0		Promissory Note signed by the
5 Bank of Montreal Purchase Loan 7861 Bank of The Bahamas	1991		5,000,000	5,000,000	5,000,000	5,000,000	0		Promissory Note signed by the
6 First Caribbean Intl. Bank RBPF Communication System Loan	2005	2010	9,031,153	9,031,153	803,000	8,128,153	0		Promissory Notes signed by F.C.I.T.
7 Clifton Heritage Authority Maturing 2025-2035	2005	2035	24,000,000	24,000,000	0	0	24,000,000	2,261,042	Clifton Heritage Authority Act, 2004
8 Bridge Facility Loan (Cmwhlth Bk).	2009		15,000,000	15,000,000	15,000,000	15,000,000	0		Escrow Agreement, May 21, 2009
9 The Airport Authority Loan	2008	2013	11,000,000	11,000,000	2,200,000	3,300,000	5,500,000		Agreement Oct. 30th, 2008
			472,873,475	401,873,475	8,103,000	36,428,153	357,342,322	2,463,829	

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	SINKING FUND	REMARKS
LOANS SYNDICATED IN U.S. DOLLARS AND OTHER CURRENCIES									
1 HOTEL CORPORATION LOAN VARIOUS BANKS	1992		44,598,403	44,598,403		44,598,403	0		Various bank agreements.
2 US\$10.2m Development Bonds(\$23.5m) (1 3/4 & 2% above N.Y. prime)	1992	1996/2002	10,200,000	10,200,000		10,200,000	0		Subsection 11 of section 30 of the Development Loans Act 1990.
3 US\$25.0m Bond Issue (CIBC, RBC, BNS, BOB, Citibank & Barclays Bank)	1995	1996/2003	25,000,000	25,000,000		25,000,000	0		Development Loans Act 1990, and Resolution of the House of Assembly.
4 Caribbean Development Bank South Andros Docking Facility 2/0R-BAH	1986	2001	3,280,000	2,627,683		2,627,683	0		Loan Agreement dated October 15, 1986.
5 Caribbean Development Bank Exuma Airport I/0R-BAH	1986	2001	5,690,000	5,690,000		5,690,000	0		Loan Agreement dated October 15, 1986.
6 US\$50.0M Bond Issue (1997) 2002-2007	1997	2007	50,000,000	50,000,000		50,000,000	0		at the 15/24/1997.
7 InterAmerican Development Bank BAH DEV. BANK-LOAN # 0546/OC-BH	1994	2004	6,000,000	5,450,910		5,450,910	0		Loan Agreement dated 2003
8 Road Improvement & Rehabilitation (CDB Loan no. 5/SFR-OR-BAH)	1992	1997/2012	12,000,000	6,366,704	425,780	5,535,144	425,780		Loan Agreement dated April 29th, 1992.
9 Bridge Facility Loan	2009		185,000,000	185,000,000		185,000,000	0		Czelli Agreement May 30, 2009

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	SINKING FUND	REMARKS
9 Inter-American Development Bank 1266/OC-BH Infrastructure Rehabilitation (Hurricane Floyd) (March 21, 2001)	2001	2021	21,000,000.00	20,950,622	1,263,910	7,047,613	12,639,099		Loan Contract dated 21/03/01
10 Inter-American Development Bank 1320/OC-BH (New Providence Transport Program) (22/10/01)	2001	2021	46,200,000.00	35,358,591.19	3,187,935	6,077,845	25,092,802		Loan Contract dated 13/10/01
11 Inter-American Development Bank 1589/OC-BH Land Use Policy Loan	2005	2015	3,500,000	3,317,298	526,748	683,557	2,106,992		Loan Contract dated March 16, 2005
12 Inter-American Development Bank 1617/OC-BH Immediate Response Facility	2005	2025	16,700,000	3,699,871	238,701	0	3,461,170		Loan Contract dated April 26th, 2005
13 Inter-American Development Bank 1695/OC-BH Education & Training Loan	2006	2006	18,000,000	3,528,427	271,646	0	3,256,781		Loan Agreement
14 US\$21.0m 848/OC-BH IDB Loan	1995	2020	21,600,061	21,600,061	1,296,002	8,640,042	11,664,017		Loan Agreement
15 E. E. C. Rural Energy Project (1.0m Disbursed in Euro)	1991	2030	1,442,766	1,442,766	31,524	270,742	1,140,500		Loan Agreement signed November 31, 1990
16 Food Technology Complex	1982	2021	468,222	468,222	21,198	249,737	197,287		Loan Agreement dated July 2nd, 1982 and Act dated July 1, 1982
17 IDB 1170/OC-BH Solid Waste Management Loan	2001	2001	23,500,000	22,547,707	1,500,613	7,541,575	13,505,520		Loan Contract No. 1170/OC-BH
18 IDB 1247/OC-BH Health Sector Strengthening Loan	2003	2008	784,440	784,440		784,440	0		

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATUR.	AMOUNT OF LOAN AUTHORIZED BY GOVT.	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30-06-10	AMOUNT OUTSTANDING AS AT 30-06-11	SINKING FUND	REMARKS
19 \$125.0M Consortium Loan	2002		125,000,000	125,000,000		125,000,000	0		Resolution Board of Assembly June 2002
20 IDB 1988/OC-BH New Providence Trns Supplmt Fdg.	2008	2033	100,000,000	33,879,958			33,879,958		Loan Contract dated June 23, 2008
21 \$200M Bond Issue Maturing 2033	2003	2033	200,000,000	200,000,000		0	18,633,259		Proceeds \$18,633,259 Resolution Board of Assembly June 2003
22 The EXIM Bank of China-Container Scanners Loan (34,000,000 RMB Yuan Disbursed in USD)	2006	2022	3,492,713	3,492,713		0	3,492,713		Resolution Board of Assembly June 2006
23 \$100M Bond Issue Maturing 2038	2008	2038	100,000,000	100,000,000		0	3,420,884		Resolution of House of Assembly dated December 17th, 2007
24 Family Island Project (CDB Loan no: 09/OR-B1HA)	2010	2015-2018	10,109,000			0	0		Loan Agreement dated Oct. 15th, 2010
25 Chinese Concessional Loan (Airport Road) (400,000,000 RMB Yuan Disbursed in USD)	2010	2030	57,999,966	15,687,497		0	15,687,497		
26 US\$300M Bond Issue Maturing 2029	2009	2029	300,000,000	300,000,000		0	300,000,000		Resolution of House of Assembly dated March 5, 2009 & June 31, 2009
TOTAL			1,391,725,458	1,226,711,853	8,764,058	490,397,691	727,550,114	22,054,143	

ANNEX 12

Statement of Contingent Liabilities

CONTINGENT LIABILITIES										
AS AT										
JUNE 30 2011										
LOANS	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY THE LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT RECEIVED AS AT 30/06/11	AMOUNT OUTSTANDING AS AT 30/06/11	SINKING FUND	REMARKS		
1) BAHAMASAIR			72,460,000	72,450,000	72,235,509	214,491				
2) BAHAMAS DVL PMT. BANK			82,835,293	80,851,846	21,173,488	59,688,377				
3) BAHAMAS ELECTRICITY CORPORATION			300,800,000	288,282,161	85,789,892	202,512,259				
4) BAHAMAS T L C M. COM.			109,000,000	109,000,000	105,000,000	0				
5) CLIFTON HERIT. AUTH.			24,000,000	24,000,000	0	24,000,000				
6) THE AIRPORT AUTH.			51,000,000	51,000,000	7,954,150	43,045,840				
7) THE BRIDGE AUTH.			28,000,000	28,000,000	0	28,000,000				
8) THE EDUC. LOAN AUTH.			107,625,576	107,625,576	0	87,000,000				
9) THE HOTEL CORP.			5,749,000	5,749,000	5,749,000	0				
10) THE MORTG. CORP			168,300,000	168,300,000	14,500,000	151,800,000				
11) WATER & SEW. CORP.			41,741,060	48,733,060	34,016,033	14,717,027				
TOTAL			969,001,923	982,002,826	350,398,062	890,877,994				

CONTINGENT LIABILITIES AS AT JUNE 30 2011									
LOANS	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY THE LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 30/06/11	AMOUNT OUTSTANDING AS AT 30/06/11	SINKING FUND	REMARKS	
BAHAMASAIR HOLDINGS LIMITED									
BANK OF THE BAHAMAS	1991	DEMAND	1,100,000	1,180,000	686,599	214,491			
ROYAL BANK OF CANADA	2002	2009	20,000,000	20,000,000	20,000,000	0			
	2002	2007	5,000,000	5,000,000	5,000,000	0			
SCOTIABANK	2003	2011	7,250,000	7,250,000	7,250,000	0			
	2004	2009	3,400,000	3,400,000	3,400,000	0			
NATIONAL INSURANCE	1989	1996	5,000,000	6,000,000	5,000,000	0			
RBC	1998	2006	3,200,000	3,200,000	3,200,000	0			
	1997	2004	10,500,000	10,500,000	10,500,000	0			
CITIBANK	2002	2008	15,000,000	15,000,000	15,000,000	0			
TOTAL			72,450,000	72,450,000	72,236,599	214,491			

CONTINGENT LIABILITIES									
AS AT									
JUNE 30 2011									
LOANS	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY THE LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 30/06/11	AMOUNT OUTSTANDING AS AT 30/06/11	SINKING FUND	REMARKS	
BAHAMAS DEVELOPMENT BANK									
CARIBBEAN DEVELOPMENT BANK (5TH LINE)	18/06/01	07/06/13	10,000,000	10,000,000	7,538,620	2,161,380			
EUROPEAN ECONOMIC COMMUNITY	30/06/79	08/20	536,293	536,293	230,218	306,075			
BDB BONDS	30/09/05	30/01/28	25,000,000	25,000,000	0	25,000,000			
BDB BONDS	28/11/00	28/11/26	25,000,000	25,000,000	0	25,000,000			
INTERAMERICAN DEVELOPMENT	09/03/99	03/2013	7,000,000	5,326,652	4,358,088	868,464			
CARIBBEAN DEVELOPMENT BANK (3RD LINE)	07/03/92	06/2012	7,000,000	7,000,000	6,298,542	783,458			
CENTRAL BANK #2 (\$3M)	21/04/93	04/2018	3,000,000	3,000,000	1,560,000	1,050,000			
CENTRAL BANK #2 (\$5M)	18/10/99	04/2024	5,000,000	5,000,000	500,000	4,500,000			
TOTAL			82,535,293	80,961,845	21,173,468	59,588,377			

CONTINGENT LIABILITIES									
AS AT									
JUNE 30 2011									
LOANS	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY THE LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 30/06/11	AMOUNT OUTSTANDING AS AT 30/06/11	SINKING FUND	REMARKS	
BAHAMAS ELECTRICITY CORPORATION									
INTER-AMERICAN DEVELOPMENT BANK LOAN (# 864)			66,000,000	43,682,161	43,682,161	0		Refinanced	
NATIONAL INSURANCE BOARD \$10M	1999	2006	10,000,000	10,000,000	10,000,000	0			
EUROPEAN INVESTMENT BANK	1996	2011	23,800,000	23,800,000	22,682,741	1,007,259			
SBL CIT, FCB, RBC, BOB	2009	2009	211,000,000	211,000,000	9,486,000	201,506,000		\$123M Refinanced Line.	
TOTAL			300,800,000	288,282,161	86,769,892	202,612,259			

CONTINGENT LIABILITIES AS AT JUNE 30 2011									
LOANS	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY THE LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 30/06/11	AMOUNT OUTSTANDING AS AT 30/06/11	SINKING FUND	REMARKS	
BAHAMAS TELECOMMUNICATIONS COMPANY									
FIRST CARIBBEAN BK.	01/04/03	01/01/07	27,000,000	27,000,000	27,000,000	0		DSL Loan	
FIRST CARIBBEAN BK.	01/04/06	01/04/08	22,000,000	22,000,000	22,000,000	0		GSN Loan	
CITIBANK/FCIB/SCOTIA	11/16/08	02/16/08	60,000,000	60,000,000	60,000,000	0		BPSN Loan	
TOTAL			109,000,000	109,000,000	109,000,000	0			

CONTINGENT LIABILITIES									
AS AT									
JUNE 30 2011									
LOANS	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY THE LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 30/06/11	AMOUNT OUTSTANDING AS AT 30/06/11	SINKING FUND	REMARKS	
THE CLIFTON HERITAGE AUTHORITY									
BGRS			24,000,000	24,000,000	0	24,000,000		Resolution of the House of Assembly	
TOTAL			<u>24,000,000.00</u>	<u>24,000,000.00</u>	<u>0</u>	<u>24,000,000.00</u>			
THE AIRPORT AUTHORITY									
RBC \$40M AIRSIDE IMPRVMT. PROJECT	2004		40,000,000	40,000,000	2,454,160	37,545,840		Resolution of the House of Assembly	
RBC US\$1M LOAN			11,000,000	11,000,000	5,500,000	5,500,000			
			<u>51,000,000</u>	<u>51,000,000</u>	<u>7,954,160</u>	<u>43,045,840</u>			
THE BRIDGE AUTHORITY									
BGRS	1999	2014/2029	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>			

CONTINGENT LIABILITIES AS AT JUNE 30 2011									
LOANS	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY THE LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 30/06/11	AMOUNT OUTSTANDING AS AT 30/06/11	SINKING FUND	REMARKS	
THE EDUCATION AUTHORITY									
Various Banks	2002	2011	100,000,000	190,000,000	33,000,000	67,000,000		Resolution of the House of Assembly	
BOB EDUCATIONAL GUARANTEE FUND			7,626,670	7,626,670	7,626,670	0			
TOTAL			107,626,670	197,626,670	40,626,670	67,000,000			
THE HOTEL CORPORATION									
Overdraft Facility	1991		600,000	600,000	600,000	0		Resolution of the House of Assembly	
Grd Water & Environmental Svcs.			5,249,000	5,249,000	5,249,000	0			
TOTAL			5,849,000	5,849,000	5,849,000	0			
THE MORTGAGE CORPORATION									
Serial Bonds			166,300,000	166,300,000	14,500,000	161,800,000			
TOTAL			166,300,000	166,300,000	14,500,000	161,800,000			

CONTINGENT LIABILITIES									
AS AT									
JUNE 30 2011									
LOANS	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED BY THE LEGISLATURE	AMOUNT DRAWN IN RESPECT OF LOAN AUTHORIZED	AMOUNT REDEEMED AS AT 30/06/11	AMOUNT OUTSTANDING AS AT 30/06/11	SINKING FUND	REMARKS	
WATER & SEWERAGE CORPORATION									
IADB-1112OC-18H LOAN FAMILY ISLAND PORTABLE WATER	1999	2024	14,000,000	14,000,000	7,413,489	6,586,511		Resolution of the House of Assembly Dated 22 March 1993.	
CARIBBEAN DEVELOPMENT BANK LOAN # 1	1978	1998	3,245,050	3,237,060	3,237,060	0		Resolution of the House of Assembly	
CARIBBEAN DEVELOPMENT BANK LOAN # 2	1987	2008	4,600,000	4,600,000	4,600,000	0		Resolution of the House of Assembly	
NATIONAL INSURANCE BOARD (LOAN #1)	1984	2004	4,296,000	4,296,000	4,296,000	0		Resolution of the House of Assembly	
NATIONAL INSURANCE BOARD (LOAN # 2)	1987	2010	1,200,000	1,200,000	0	1,200,000		Resolution of the House of Assembly	
EUROPEAN INVESTMENT BANK	1986	2004	ECLUS 8,560,000 7,000,000	14,000,000	8,659,243	5,140,752		Resolution of the House of Assembly	
BANK CARIBBEAN DEVELOPMENT BANK (LOAN #3)	1993	2016	7,600,000	7,600,000	5,710,266	1,789,734		House of Assembly Loan agreement dated dated 22 March 1993.	
TOTAL			47,741,050	48,733,060	34,016,033	14,717,037			

ANNEX 13

**Statement of Recurrent Accounts
Revenue by Head**

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

RECURRENT ACCOUNTS 2010/2011

REVENUE BY HEAD

PAGE NO.: 1

HEAD	DESCRIPTION	ESTIMATED REVENUE 2010/2011	ACTUAL REVENUE 2010/2011	OVER THE ESTIMATES	UNDER THE ESTIMATES	REMARKS
901	IMPORT AND EXPORT DUTIES	489,857,891.00	366,977,898.93	.00	122,879,994.07	
902	EXCISE TAX	207,354,341.00	253,718,893.87	46,364,552.87	.00	
903	PROPERTY TAX	106,000,000.00	92,115,068.30	.00	13,884,931.70	
904	MOTOR VEHICLE TAX	42,310,371.00	36,773,833.43	.00	5,536,537.57	
905	GAMING TAX	15,500,000.00	17,889,272.27	2,389,272.27	.00	
906	TOURISM TAX	137,477,950.00	144,061,240.98	6,583,290.98	.00	
907	STAMP TAX	234,460,120.00	274,035,656.23	39,575,536.23	.00	
908	COMPANY FEES	26,348,135.00	22,693,773.50	.00	2,654,361.50	
909	BANK AND TRUST COMPANY FEES	22,356,305.00	21,881,900.00	.00	1,474,409.00	
910	INSURANCE COMPANY FEES	15,356,818.00	11,562,812.21	.00	3,794,005.79	
911	OTHER TAXES	565,750.00	544,875.00	.00	20,875.00	
	TAX REVENUE SUB-TOTAL	1,297,887,887.00	1,242,635,224.72	94,292,652.35	149,745,214.63	
919	PENS AND SERVICE CHARGES	150,519,238.00	164,506,723.33	13,987,485.33	.00	
920	REVENUE FROM GOVERNMENT PROPER	16,105,510.00	15,844,998.10	.00	260,511.90	
921	INTEREST AND DIVIDENDS	21,222,377.00	23,182,139.30	1,959,762.30	.00	
922	REIMBURSEMENT AND LOAN REPAYMS	137,335.00	42,244.00	.00	95,091.00	
923	SERVICE OF A COMMERCIAL NATURE	7,265,031.00	6,782,505.61	.00	482,525.39	
	NON-TAX REVENUE SUB-TOTAL	195,350,511.00	210,358,610.34	15,008,109.34	839,248.25	

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

RECURRENT ACCOUNTS 2010/2011

REVENUE BY HEAD

PAGE NO. : 2

HEAD	DESCRIPTION	ESTIMATED REVENUE 2010/2011	ACTUAL REVENUE 2010/2011	OVER THE ESTIMATES	UNDER THE ESTIMATES	REMARKS
	TOTAL REVENUE	1,492,438,298.00	1,451,993,735.06	112,139,899.98	150,584,462.92	

REVENUE UNDER THE ESTIMATE 40,444,562.94

ANNEX 14

Statement of Recurrent Account Expenditure by Head

G O V E R N M E N T O F T H E C O M M O N W E A L T H O F T H E B A H A M A S

RECURRENT ACCOUNTS 2010/2011
EXPENDITURES BY HEAD

PAGE NO.: 1

HEAD	MINISTRY/DEPARTMENT	APPROVED ESTIMATE & SUPP. AVARDE. 2010/2011	ACTUAL EXPENDITURES 2010/2011	OWEL THE ESTIMATE	OWEL THE ESTIMATE	SUPP. APPROP. AUTHORIZED
1	THE GOVERNOR GENERAL & STAFF	1,494,812.00	1,376,507.34	.00	118,244.66	272,861.00
2	THE SENATE	246,809.00	231,115.79	.00	25,693.21	31,584.00
3	THE HOUSE OF ASSEMBLY	2,303,006.00	2,255,611.40	.00	47,394.60	13,536.00
4	THE DEPARTMENT OF THE AUDITOR-GENERAL	1,981,793.00	1,834,676.99	.00	147,116.02	.00
5	DEPARTMENT OF PUBLIC SERVICES	142,024,805.00	130,611,241.34	.00	11,411,563.66	695,665.00
6	CABINET OFFICE	5,512,964.00	5,144,439.86	.00	368,524.14	347,316.00
7	OFFICE OF THE ATTORNEY-GENERAL AND MINIS	12,259,295.68	11,666,792.73	.00	592,502.95	1,726,409.68
8	JUDICIAL DEPARTMENT	9,039,906.00	7,805,715.34	.00	1,234,190.66	270,690.00
9	COURT OF APPEAL	2,352,027.00	1,803,744.55	.00	548,282.45	.00
10	REGISTRAR-GENERAL'S DEPARTMENT	3,575,064.00	3,205,727.72	.00	369,336.28	58,853.00
11	PRISON DEPARTMENT	22,543,965.00	22,022,893.96	.00	521,071.04	2,368,912.00
12	PARLIAMENTARY REGISTRATION DEPARTMENT	3,065,770.00	2,931,296.86	.00	134,473.14	902,220.00
13	MINISTRY OF FOREIGN AFFAIRS	22,012,861.00	21,707,147.77	.00	305,713.23	14,517.00
14	OFFICE OF THE PRIME MINISTER	1,692,575.00	2,786,615.12	.00	895,959.88	.00
16	BAHAMAS INFORMATION SERVICES	2,370,220.98	2,311,505.76	.00	38,635.22	36,120.98
17	GOVERNMENT PRINTING DEPARTMENT	2,054,739.00	1,873,053.58	.00	81,685.42	48,466.00
18	DEPARTMENT OF LOCAL GOVERNMENT	23,529,680.00	23,131,293.14	.00	398,386.86	739,272.00
19	DEPARTMENT OF PHYSICAL PLANNING	786,090.00	624,931.60	.00	163,158.40	.00
20	DEPARTMENT OF LANDS AND SURVEYS	2,637,736.00	2,201,388.77	.00	436,347.23	.00
21	MINISTRY OF FINANCE	139,262,608.92	126,190,325.78	.00	3,072,283.14	102,889,616.92
22	TREASURY DEPARTMENT	13,429,482.02	12,038,372.79	.00	1,391,109.23	2,781,342.02

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

RECURRENT ACCOUNTS 2010/2011

EXPENDITURE BY HEAD

PAGE NO. : 2

HEAD	MINISTRY/DEPARTMENT	APPROVED ESTIMATE & SUPP. APPROP. 2010/2011	ACTUAL EXPENDITURE 2010/2011	OVER THE ESTIMATE	UNDER THE ESTIMATE	SUPP. APPROP. AUTHORIZED
23	CUSTOMS DEPARTMENT	25,347,191.00	25,347,191.12	.00	179,955.86	.00
24	DEPARTMENT OF STATISTICS	6,431,815.00	5,847,630.48	.00	584,184.52	.00
25	MAGISTRATE'S COURTS	5,113,915.00	4,311,751.91	.00	802,163.09	.00
26	PUBLIC DEBT SERVICING - INTEREST	205,363,990.00	201,714,484.55	.00	6,649,505.45	.00
27	PUBLIC DEBT SERVICING - REDEMPTION	79,765,828.00	77,496,064.75	.00	2,269,763.25	5,000,000.00
28	MINISTRY OF NATIONAL SECURITY	1,934,761.00	1,780,160.30	.00	154,600.70	.00
29	DEPARTMENT OF IMMIGRATION	14,150,641.00	13,373,663.96	.00	776,977.04	.00
31	ROYAL BAHAMAS POLICE FORCE	123,883,231.00	123,466,661.23	.00	516,569.77	5,235,418.00
32	ROYAL BAHAMAS DEFENCE FORCE	48,170,505.00	46,183,450.24	.00	1,987,054.76	1,383,142.00
33	MINISTRY OF PUBLIC WORKS & TRANSPORT	27,360,950.00	27,095,742.01	.00	265,207.99	669,846.00
34	DEPARTMENT OF PUBLIC WORKS	17,497,359.00	16,451,325.46	.00	1,046,033.54	.00
35	DEPARTMENT OF EDUCATION	190,185,571.00	187,261,285.84	.00	2,924,285.16	2,813,049.00
36	BAHAMAS TECHNICAL & VOCATIONAL INSTITUTE	5,638,287.00	5,078,933.86	.00	559,353.14	89,939.00
37	DEPARTMENT OF ARCHIVES	1,934,596.00	1,672,484.44	.00	262,111.56	19,887.00
38	MINISTRY OF EDUCATION	41,136,357.00	39,184,796.10	.00	1,951,560.90	.00
39	COLLEGE OF THE BAHAMAS	22,247,778.00	22,247,777.84	.00	.16	.00
41	THE SIMPSON PENN CENTRE FOR BOYS	1,038,409.00	912,875.54	.00	125,533.66	39,175.00
42	THE WILLIAMS PRATT CENTRES FOR GIRLS	1,027,371.00	845,780.86	.00	181,590.14	48,040.00
44	DEPARTMENT OF SOCIAL SERVICES	36,175,138.00	35,562,342.22	.00	612,795.78	3,851,850.00
45	DEPARTMENT OF HOUSING	1,328,411.00	1,144,566.11	.00	184,044.89	15,035.00
46	MINISTRY OF HOUSING	1,604,461.00	1,439,752.18	.00	164,708.82	38,759.00

G O V E R N M E N T O F T H E C O M M O N W E A L T H O F T H E B A H A M A S

RECURRENT ACCOUNTS 2010/2011

EXPENDITURE BY HEAD

PAGE NO.: 3

HEAD	MINISTRY/DEPARTMENT	APPROVED ESTIMATE & SUPP. APPROP. 2010/2011	ACTUAL EXPENDITURE 2010/2011	OVER THE ESTIMATE	UNDER THE ESTIMATE	SUPP. APPROP. AUTHORIZED
47	MINISTRY OF YOUTH, SPORTS & CULTURE	19,537,407.00	18,148,075.83	.00	1,389,331.12	1,353,967.00
48	DEPARTMENT OF LABOUR	2,284,823.00	2,216,795.24	.00	78,027.76	.00
51	POST OFFICE DEPARTMENT	8,200,886.00	8,136,997.50	.00	63,898.50	240,000.00
52	Department of Civil Aviation	14,784,269.00	13,794,316.37	.00	989,952.63	2,325,871.00
53	PORT DEPARTMENT	5,529,683.00	5,085,866.89	.00	423,796.11	141,215.00
54	DEPARTMENT OF ROAD TRAFFIC	5,085,729.00	4,978,676.82	.00	117,052.18	16,499.00
55	Department of Meteorology	2,324,418.00	2,119,317.59	.00	205,100.41	.00
56	MINISTRY OF AGRICULTURE & MARINE RESOURC	4,957,055.00	4,624,928.44	.00	332,126.56	.00
57	Department of Agriculture	7,479,844.00	6,528,505.04	.00	961,338.96	68,068.00
58	DEPARTMENT OF MARINE RESOURCES	2,484,877.00	1,956,530.69	.00	568,346.31	10,677.00
60	MINISTRY OF HEALTH	13,234,686.00	11,193,656.07	.00	2,031,029.93	363,300.00
63	THE PUBLIC HOSPITALS AUTHORITY	183,436,738.00	183,438,338.00	.00	400.00	4,000,000.00
65	DEPARTMENT ENVIRONMENTAL HEALTH SERVICES	37,286,604.00	35,890,323.67	.00	1,406,280.33	2,939,921.00
66	DEPARTMENT OF PUBLIC HEALTH	32,131,652.00	29,552,369.05	.00	2,159,283.95	1,046,900.00
67	MINISTRY OF TOURISM & AVIATION	77,252,603.00	69,333,574.14	.00	7,939,028.96	63,240.00
68	THE GAMING BOARD	5,980,313.00	5,463,207.19	.00	497,105.81	.00
69	AIRPORT AUTHORITY	9,316,541.00	9,429,871.00	.00	889,670.00	8,429,871.00
70	MINISTRY OF LABOUR & SOCIAL DEVELOPMENT	7,155,195.00	6,729,672.40	.00	435,522.60	.00
72	MINISTRY OF THE ENVIRONMENT	2,040,180.00	1,892,836.86	.00	147,343.14	.00
TOTAL RECURRENT EXPENDITURE.....		1,707,292,345.60	1,642,170,830.88	.00	65,121,514.72	153,315,152.60

NET DECREASE UNDER THE ESTIMATE 65,121,514.72

ANNEX 15

Capital Accounts

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS
CAPITAL ACCOUNTS 2010/2011

SUMMARY BY HEAD

PAGE NO.: 1

HEAD	PROJECT	APPROVED ESTIMATES & SUPE. APPROP. 2010/2011	RELEASE AUTHORIZED	ACTUAL EXPENDITURE 2010/2011	OVER THE ESTIMATES	UNDER THE ESTIMATES	SUPE. APPROP. AUTHORIZED
11	PRISON DEPARTMENT	400,000.00	400,000.00	399,517.55	.00	482.45	.00
21	SUNDRY CAPITAL EXPENDITURE	127,682,566.39	87,032,179.28	106,504,427.61	.00	19,178,138.78	39,582,566.39
23	CUSTOMS DEPARTMENT	1,275,000.00	749,606.98	749,414.24	.00	525,585.86	.00
29	MINISTRY OF NATIONAL SECURITY	1,000,000.00	469,250.88	468,776.56	.00	531,223.44	.00
31	ROYAL BAHAMAS POLICE FORCE	3,233,200.00	1,233,200.00	1,132,471.96	.00	80,728.04	.00
32	ROYAL BAHAMAS DEFENCE FORCE	2,114,743.00	2,114,743.00	1,946,664.74	.00	168,078.26	.00
33	MINISTRY OF PUBLIC WORKS & TRANSPORT	163,920,484.00	132,699,832.00	142,144,037.59	.00	26,776,446.42	28,911,000.00
38	MINISTRY OF EDUCATION	17,289,757.00	11,466,470.88	10,790,192.29	.00	6,499,564.71	.00
39	THE COLLEGE OF THE BAHAMAS	2,000,000.00	2,000,000.00	2,000,000.00	.00	.00	.00
45	DEPARTMENT OF HOUSING	1,300,000.00	1,085,000.00	1,278,853.79	.00	21,146.21	200,000.00
47	DEPARTMENT OF YOUTH, SPORTS & CULTURE	1,388,385.00	1,336,325.00	1,694,730.83	.00	333,584.17	.00
52	DEPARTMENT OF CIVIL AVIATION	1,788,300.00	655,550.38	622,646.56	.00	1,165,653.44	.00
56	MIN. OF AGRICULTURE AND MARINE RESOURCES	2,833,503.00	1,448,064.88	1,337,722.95	.00	1,495,620.05	.00
60	MINISTRY OF HEALTH	1,230,000.00	1,018,000.00	967,106.51	.00	262,693.49	.00
63	PUBLIC HOSPITAL AUTHORITY	3,586,775.00	3,586,775.00	3,586,775.00	.00	.00	.00
TOTAL		334,022,661.39	247,277,057.08	276,983,338.07	.00	57,039,355.32	68,693,566.39

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

CAPITAL ACCOUNTS 2010/2011

REVENUE BY HEAD

PAGE NO.: 1

HEAD	DESCRIPTION	ESTIMATED REVENUE 2010/2011	ACTUAL REVENUE 2010/2011	OVER THE ESTIMATES	UNDER THE ESTIMATES	REMARKS
960	CAPITAL REVENUE	25,000,000.00	203,731,170.04	178,731,170.04	.00	
960	GRANTS	11,500,000.00	50,000.00	.00	11,850,000.00	
970	PROCEEDS FROM BORROWINGS	289,968,022.00	288,842,051.73	.00	1,125,968.27	
	TOTAL CAPITAL REVENUE.....	326,868,022.00	492,523,223.77	178,731,170.04	12,975,968.27	
	REVENUE OVER THE ESTIMATES		165,755,201.77			

