

REPUBLIC OF KIRIBATI  
(No. 12 of 1981)

I assent,

*J. Tabai*  
Beretitenti.  
*29th Dec, 1981.*

AN ACT TO AMEND THE PUBLIC FINANCE  
(CONTROL AND AUDIT) ORDINANCE (Cap. 79)

Commencement:  
*29th December, 1981.*

MADE by the Maneaba ni Maungatabu and assented to by the Beretitenti.

Short title.

1. This Act may be cited as the Public Finance (Control and Audit) (Amendment) Act 1981.

Amends Section  
6 of the  
principal  
Ordinance  
(Cap. 79).

2. Section 6 of the Public Finance (Control and Audit) Ordinance (in this Act referred to as 'the principal Ordinance') is amended:

- 1) By repealing Section 6 and the following Section 6 substituted:-

Section 6(1)

The Minister may authorise the investment of moneys forming part of the Consolidated Fund in:

- (a) cash, or
- (b) stocks and bonds of, or guaranteed by, the Government of Kiribati and approved by Maneaba ni Maungatabu, or stocks and bonds of other Governments or internationally reputable financial and business organisations (including state, city and local Governments); or
- (c) shares quoted in a Stock Exchange that is approved by the Minister of Finance for the purpose; or
- (d) short-term deposits not exceeding twelve months with a Bank whether in Kiribati or elsewhere, approved by the Minister for the purpose; or
- (e) the joint Consolidated Fund administered by the Crown Agents; or

- (f) In such investment or investments authorised for the investment of property in the hands of trustees by any law for the time being in force or in any combination of them and not otherwise save and except as authorised by resolution of the Maneaba ni Maungatabu; or
- (g) Semi Government securities including promissory notes and approved by the Minister; or
- (h) Australian Wheat Board promissory notes and approved by the Minister; or
- (i) Bank Accepted and/or Bank endorsed Bills and approved by the Minister; or
- (j) Lodgement of deposits with official money market dealers and approved by the Minister; or
- (k) Lodgement on an unsecured basis with selected finance companies, merchant banks and industrial companies and approved by the Minister.

Section 6(2)

All investments made under this Section together with any interest received therefrom shall form part of the Consolidated Fund.

Section 6(3)

A resolution for the purposes of Section 6(1) may be either general or specific.

Section 6(4)

Notwithstanding anything in the preceding provisions of this Section, no investment or money standing to the credit of the Consolidated Fund shall be made otherwise than through

- (a) a member of a Stock Exchange that is approved for the purpose by the Minister of Finance; or
- (b) a recognised business manager appointed by the Minister of Finance for the purpose; or
- (c) the Chief Accountant acting on the instructions of the Minister.

Section 6(5)

Nothing in this section affects any investment of money standing to the credit of the Fund as at the effective date of commencement of this Act, but no such money may be reinvested otherwise than in accordance with this Section.

Section 6(6)

The expenses of the management and operation of the Consolidated Fund shall be paid out of the said Fund.

Amends S.13 of the principal Ordinance.

3. Section 13(2)(a) of the principal Ordinance is repealed and the following words substituted as Section 13(2)(a):

Section 13(2)(a)

Authorise the investment of moneys standing to the credit of Special Funds in:

- (a) cash, or
- (b) stocks and bonds of, or guaranteed by, the government of Kiribati and approved by the Maneaba ni Maungatabu, or stocks and bonds of other Governments or internationally reputable financial and business organisations (including state, city and local Governments; or
- (c) shares quoted in a Stock Exchange that is approved by the Minister of Finance for the purpose; or
- (d) short-term deposits not exceeding twelve months with a Bank whether in Kiribati or elsewhere, approved by the Minister for the purpose; or
- (e) the joint Consolidated Fund administered by the Crown Agents; or
- (f) In such investment or investments authorised for the investment of property in the hands of trustees by any law for the time being in force or in any combination of them and not otherwise save and except as authorised by resolution of the Maneaba ni Maungatabu; or
- (g) Semi Government securities including promissory notes and approved by the Minister; or
- (h) Australian Wheat Board promissory notes and approved by the Minister; or
- (i) Bank accepted and/or Bank endorsed Bills and approved by the Minister; or
- (j) Freehold property and leasehold property of which the unexpired term at the time of investment is not less than sixty years, whether in Kiribati or elsewhere.

This printed impression has been carefully examined by me with the Bill which passed the Maneaba ni Maungatabu on 7th December 1981, and is found by me to be a true and correctly printed copy of the said Bill.



.....  
Clerk to the Maneaba ni  
Maungatabu.

I certify that the above Bill was on 7th December 1981 passed by the Maneaba ni Maungatabu on a certificate of urgency under section 68(3)(a) of the Constitution.



.....  
Speaker.

Published by exhibition -

(a) at the Public Office of the Beretitenti on  
1981.

.....  
Secretary to the Cabinet.

(b) at the Maneaba ni Maungatabu on  
*29th December, 1981.*



.....  
Clerk to the Maneaba ni  
Maungatabu.

PUBLIC FINANCE (CONTROL AND AUDIT)  
(AMENDMENT) ACT 1981

Explanatory Memorandum

1. Section 2 of this Act amends Section 6 of the Public Finance (Control and Audit) Ordinance Chapter 79 by repealing the said Section 6 and substituting a fresh Section 6.
2. Under the original Section 6 of Cap. 79, the Minister was empowered to authorise the investment of monies in the Consolidated Fund, but such an investment power was a restricted one and did not give sufficiently wide investment powers.
3. S.2 of this amending Act rectifies this situation by widening the scope of permitted investments, in respect of the Consolidated Fund.
4. S.13 of Cap. 79 empowered the Minister to authorise investment of moneys in Special Funds, but here again such power was restricted.
5. S.3 of this amending Act amends S.13 of Cap. 79 so as to widen the scope of permitted investments.

Roger Lawrence Davey  
Attorney General

LEGAL REPORT

I hereby certify my opinion that none of the provisions of the above Act conflict with the Constitution and that the Beretitenti may properly assent to the Act.

Roger Lawrence Davey  
Attorney General  
9 December 1981.