



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

DAG/T.2/2009

Reference No.....

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

March 23, 2011

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, 2009.

Sincerely,

Terrance S. Bastian (Mr.)
Auditor General

TSB/slt

Report of the Auditor General

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MEMORANDUM

MINISTRY OF FINANCE

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

Your reference:

Our reference: FIN.1606.21

Date: 30th June, 2010

**RE: TREASURY PROVISIONAL ACCOUNTS FOR
THE YEAR ENDED 30TH JUNE, 2009**

In accordance with Section 27 (2) of the Financial Administration and Audit Act, I hereby transmit to you the Treasury Provisional Accounts for the year ended 30th June, 2009, prepared by the Treasurer which is submitted for your necessary action.


**Ehurd Cunningham
FINANCIAL SECRETARY (Actg.)**

EC/mec

Acknowledgement and Appreciation

Special thanks are extended to staff members of the Auditor General's Office (AGO) 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 Concerns

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 IFMIS 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.

Constitutional Provisions



Section 1

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 and Significant Accounting Policies



Section 2

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.

Administration and Personnel



Section 3

Administration & Personnel

3.01 The fiscal year 2008/2009 heralded the eighty-fourth (84th) 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 5 – 10 July, 2008. |
| | Mr. Roger Forbes
Sr. Deputy Auditor General | - | Acted as Auditor General for the period 1 – 22 August, 2008. |
| | Mr. Roger Forbes
Sr. Deputy Auditor General | - | Acted as Auditor General for the period 21 – 31 January, 2009. |
| | Mr. Roger Forbes
Sr. Deputy Auditor General | - | Acted as Auditor General for the period 8 – 14 February, 2009. |
| | Mr. Roger Forbes
Sr. Deputy Auditor General | - | Acted as Auditor General for the period 8 – 11 April, 2009. |
| | Mrs. Cynthia Rolle
Deputy Auditor General | - | Acted as Auditor General for the period 12 – 25 April 2009. |

Retired

- | | | | |
|------|--|---|--|
| 3.03 | Maxwell Newbold
Assistant Auditor General | - | Retired from the Public Service with effect from 30 th January, 2009. |
|------|--|---|--|

Unpaid Leave

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

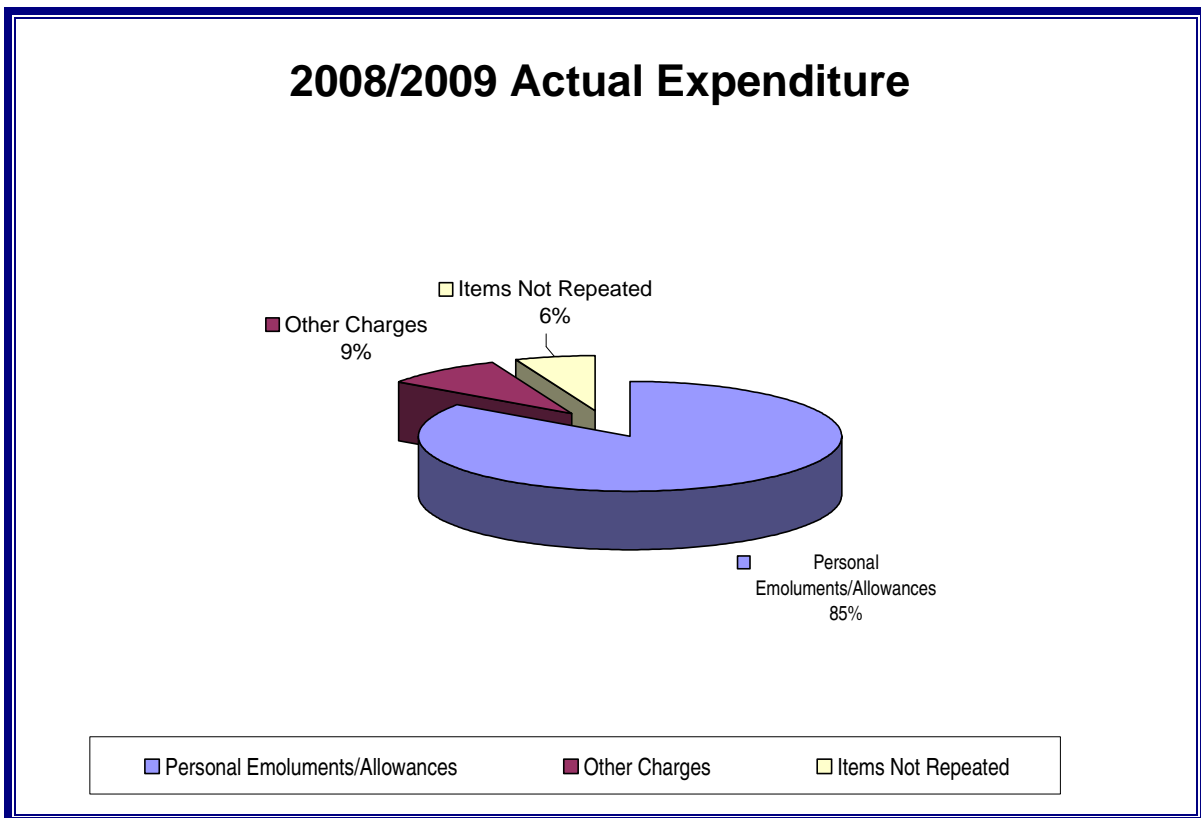
3.05	<u>Local Training Administered To Staff During the Year</u>	<u>Training Body/Trainer</u>
	The Competent Supervisor	Phoenix Institute
	Professionals on the Move Seminar	International Association of Administrative Professionals Bahamas Chapter
	Bahamahost 30 th Anniversary Seminar	Ministry of Tourism Bahamahost
	Surviving the Financial Crisis	Bahamas Institute of Chartered Accountants
	Web Page Design I & II	College of the Bahamas Continuing Education Division
	Surviving the Economic Crisis	Institute of Internal Auditors Bahamas Chapter
3.06	<u>Foreign Training Administered To Staff During the Year</u>	<u>Training Body/Trainer</u>
	International Audit and IT	Crown Agents Bank London, England
	Environmental Auditing and Biodiversity	International Association of Supreme Audit Institutions (INTOSAI), Doha Qatar
	CAROSAI Meeting & Master Class	Caribbean Organization of Supreme Audit Institutions (CAROSAI), St. Lucia
	20 th Commonwealth Auditors General Conference	Caribbean Organization of Supreme Audit Institutions (CAROSAI) Bermuda

3.07 The Office of the Auditor General's staff composition as at June 30, 2009 is as follows:

Post	Number of Staff	Authorized	Vacancy
Administration			
Auditor General	1	1	0
Sr. Deputy Auditor General	1	2	1
Deputy Auditor General	3	4	1
Assistant Auditor General	2	3	1
Audit			
Accounting & Audit Officer III	9	19	10
Accounting & Audit Officer IV	8	16	8
Assistant Accounting & Audit Officer	9	18	9
Trainee Accounting & Audit Officer	2	7	5
Chief Audit Clerk	5	10	5
Chief Clerk	1	0	-1
Senior Audit Clerk	6	9	3
Senior Clerk	1	1	0
Filing Assistant	0	1	1
Support Staff			
Executive Officer	0	1	1
Office Manager III	1	2	1
Messenger	0	1	1
Janitress	1	1	0
Total	50	96	46

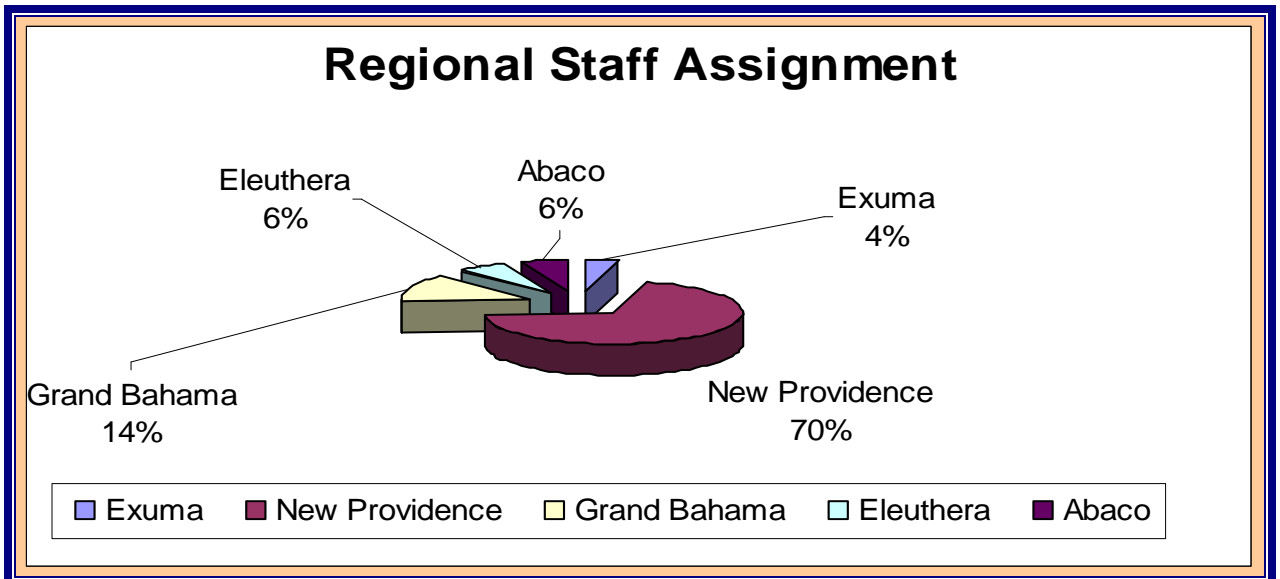
3.08 Total expenditure for the fiscal year ended June 30, 2009 compared with expenditure for 2007/2008 are as follows:

	2008/2009 Estimated Expenditure	2008/2009 Actual Expenditure	2007/2008 Actual Expenditure
Personal Emoluments/Allowances	\$ 2,096,482.00	\$ 1,730,175.00	\$ 1,676,030.00
Other Charges	\$ 615,154.00	\$ 189,507.00	\$ 502,628.00
Items Not Repeated	\$ 750.00	\$ 124,664.00	\$ 311.00
Total	\$2,712,386.00	\$2,044,346.00	\$2,178,969.00



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

Districts	Nos.	%
Exuma	2	4
New Providence	34	70
Grand Bahama	7	14
Eleuthera	3	6
Abaco	3	6
Total		100%



Loan Programs and Special Projects



Section 4

Loan Programs & Special Projects

LOAN PROGRAMS

New Providence Transport Program LO-1320/OC-BH

- 4.01 In our opinion, the financial statement present fairly in all material respects, the cash received, disbursements made and the cumulative investments for the New Providence Transport Program, for the year ended June 30, 2009.

New Providence Transport Program LO-1988/OC-BH

- 4.02 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, for the year ended June 30, 2009.

SPECIAL REVIEW

IDB Loan Contract No.1170/OC BH Solid Waste Management Program

- 4.03 The Purpose of the program was to support the Government of the Bahamas (GOB) in the improvement of Solid Waste Management Services for New Providence and the Family Islands. This project consisted of the following components:
- a) Construction of disposal facilities at Central Eleuthera, South Eleuthera, North Eleuthera, Mangrove Cay Andros, Central Andros, Kemp's Bay Andros, Long Island, Deanwood Cat Island, North Cat Island, Inagua, Cedar Harbour and Little Harbour Abaco;
 - b) Hazardous waste disposal;
 - c) Institutional support of the executing agency and studies; and
 - d) An environmental health education awareness program.

- 4.04 The Department of Environmental Health Services (DEHS) was the Executing Agency and a Project Executing Unit (PEU) was created within the Department.
- 4.05 **In our opinion fiscal prudence was not being exercised during the disbursement of public funds. Internal controls need to be strengthened to ensure that efficiency, effectiveness, transparency and accountability is achieved. With regard to contractual arrangements, it is our view that a person with the relative skills and competency should independently carry out stage payment inspections on completed work (or work-in-progress) to determine whether performance was up to par, and in accordance with pre-determined specifications/standards and costs schedule before certifying payment certificates. Finally, in our view, value for money (VFM) was not achieved for many payments made, and as a result, we recommended that this matter be handed over to the police for further investigation.**

Revenue and Expenditure Audits

Section 5

Revenue & Expenditure Audits

Department of Archives

General Receipt Register

- 5.01 While tracing general receipt books to the underlying accounting records we noted that:
- a) The quantity and cost of service were not always documented on the general receipts for scanning, microfilm copies, research fees, etc. This made it difficult for the auditors to determine the correct amount of revenue that should have been collected.
 - b) Differences were noted on the general receipts issued, regarding the amount collected for the services provided.
- 5.02 **It is recommended that due care should be exercised to ensure that the necessary information is documented on the general receipts; to facilitate a clear audit trail.**
- 5.03 **We recommended that the revenue intake be collected on a daily basis by an officer independent of the collecting process.**

Bahamas Customs – Harbour Office, Prince George Dock

- 5.04 During our examination, it was noted that some receipt transactions for harbour dues and departure tax billings were not received within the thirty days period as required.
- 5.05 **We recommended that management take the appropriate steps to ensure that all harbour dues and departure taxes are collected and banked in a timely manner.**

Cabinet Office
Expenditure

- 5.06 During our review of the accounting records we noted that Cabinet Office facilitated printing jobs of government notices for other Government Ministries/Department totaling \$235,562.64. At the time of the review, this amount had not yet been reimbursed.
- 5.07 **We recommended that management continue its effort to have the Departments/Ministries address the outstanding amounts.**

Civil Aviation Department
Revenue

- 5.08 During our review, we noted that a number of companies had outstanding balances for counter spaces, concession, fuel royalties, signage, and land lease. Further review showed that these companies were reminded of their obligations.
- 5.09 **We recommended that management intensify its effort to collect all outstanding balances for counter spaces, concession, fuel royalties, signage, and land lease.**
- 5.10 During our review, we noted that the Civil Aviation Department was not collecting rental income from various companies. The date the companies began operating is not on file and therefore the outstanding amounts could not be determined.
- 5.11 **We recommended that management collect all outstanding fees owed the Department of Civil Aviation.**
- 5.12 The department was not collecting security charges, from the various airlines.
- 5.13 **We recommended that management collect the revenue for the security charges.**
- 5.14 At the time of our examination the department's dishonoured cheques totaled \$239,503.57. This represents a loss in revenue which must be pursued urgently.

Port and Marine Department
Revenue – Prince George Dock

- 5.15 The accounts receivable for water usage at the Prince George Dock was \$131,506.51, and uncollected fees totaled \$467,695.30 at 30th June, 2009.
- 5.16 **We recommended that management pursue the collection of the amounts outstanding.**

Port Department – Potter's Cay Dock

- 5.17 The revenue statement for the period ending 30th June, 2009 showed the following outstanding amounts:

Pierage Fees for Mail-Boats	\$41,428.34
Water for Mail-Boats	24,994.00
Pierage for Freight Boats	64,628.64
Water for Freight Boats	42,043.00
Pierage for Fishing Vessels	439,225.68
Water for Fishing Vessels	<u>14,136.92</u>
Total	<u>\$ 626,456.58</u>

- 5.18 **We recommended that the outstanding revenue be collected.**

Expenditure
Payment Vouchers

- 5.19 While examining payment vouchers, the following was observed:
- a) The required number of quotations were not provided for all relevant transactions; and some payments were not supported by invoices.
 - b) Some requisition forms were not completed prior to purchases made.
 - c) None of the four signatures required were affixed to the Request to Purchase Supplies Forms.
 - d) A number of transactions were authorized and approved by the same person. This is viewed by the auditors as a serious break-down in internal controls in which segregation of duties is expected.

e) No purchase orders were prepared for a number of acquisition transactions.

5.20 **We recommended that:**

- a) **The correct number of quotes be submitted in compliance with Treasury Circular No. 8/07 dated April 4, 2007.**
- b) **Due care and attention be exercised during the maintenance of the accounting records to ensure that all transactions are accurately captured, and that the relevant supporting documents are provided.**
- c) **Management ensure that appropriate segregation of duties is exercised in an effort to strengthen internal control.**
- d) **Purchase Orders are prepared for each acquisition transaction.**

Immigration Department

RAV Bahamas Limited Bimini Bay Project

5.21 Our examination of the RAV Bahamas, Bimini Bay Work Permit Files revealed a number of problems and deficiencies which affected our financial determination of the amount owed to The Bahamas Government. These deficiencies warrant some attention and as such, we focused on the following matters of special importance:

- Significant deficiencies in the accountability system of documentations
- Failure to safeguard evidence
- Failure to collect revenue in compliance with legislation.

5.22 Our examination of the work permit files revealed that there was pertinent information missing that affected our ability to conclusively determine fees owed for each worker.

Missing Application Forms

5.23 The application forms for Gainful Employment were missing from some files and they were not always satisfactorily completed, specifically the date of first arrival to The Bahamas was sometimes not provided.

- 5.24 We determined that work permit fees was owed The Bahamas Government and the Immigration Department is currently working along with RAV Bahamas to collect the outstanding work permit fees.

Real Property Tax

- 5.25 The outstanding Real Property Taxes for the fiscal year 2008/2009 amounted to \$90,078,573.73. In addition, the cumulative outstanding taxes for prior years totaled \$375,705,485.10; thus giving a grand total of \$465,784,058.83.

DESCRIPTION	CURRENT AMOUNT \$	PRIOR YEARS \$	CUMULATIVE \$
Current Taxes	68,783,793.90	245,410,399.97	314,194,193.87
Current Surcharge	21,294,779.83	130,295,085.13	151,589,864.96
Taxes Outstanding	90,078,573.73	375,705,485.10	465,784,058.83

- 5.26 **The outstanding amount of \$465,784,058.83 is exorbitant. We recommend that immediate measures be implemented, whereby delinquent taxpayers are made to settle their debts in an expeditious manner.**

Business Licence

- 5.27 According to the figures provided by the Business Licence Unit of the Ministry of Finance, the amount outstanding for business licence is over \$18.0 M for the fiscal year 2008/2009.

School Board Accounts and School Accounts

Section 6

School Board Accounts & School Accounts

School Board Accounts and School Accounts

- 6.01 During our examination of the underlying accounting records we noted that there were similar issues at the schools audited.
- 6.02 These issues included the following:
- a) Bank Statements not provided.
 - b) Bank Reconciliation not completed.
 - c) Expenditure Statements not provided.
 - d) Invoices to support payments for the period not provided.
 - e) Cashbook not being kept.
 - f) There was no Daily Intake Form completed.
- 6.02 **We recommended that those responsible for the disbursement of government funds (school board account) ensure that the account is effectively and efficiently managed.**
- 6.03 **We also recommended that bank statements, bank reconciliations, expenditure statements and invoices be provided for audit review.**
- 6.04 **Again we recommended that knowledgeable and competent persons be identified by Ministry of Education to provide guidance to school personnel in accounting and related matters to ensure that established standards are met.**

Family Islands



Section 7

Family Islands

Family Islands

- 7.01 A number of Family Islands were audited and many of the findings were similar in nature.

Central Andros District

Revenue

- 7.02 The practice of omitting the general receipt references for clinic fees, character references and gun licenses from the cashbook did not leave a good audit trail and impeded the process of verifying the actual amounts collected.

Local Government Recurrent Account

Expenditure

- 7.03 The documentation to support loan payments from the Local Government Recurrent Account on behalf of employees was not produced for auditors review.
- 7.04 **We recommended that such documentation be produced for verification.**
- 7.05 Some of the invoices in respect of materials purchased were addressed to various townships and others were addressed to the Administrator's Office. The materials could not be identified with any particular project because the purpose for the acquisitions was not revealed.
- 7.06 **We therefore recommended the following:**
- a) **That the actual work done and the location be indicated.**
 - b) **That all payment vouchers be properly approved and all relevant information, such as activity centre and line item, be indicated prior to payments being made.**

- 7.07 We noted that payments were made to repair the old school building at Blanket Sound. During our site inspection we could not verify where any work was done to the old building.
- 7.08 **We recommended that the actual scope of work done be produced for audit review. Also, that an explanation be provided for the renovations carried out by Local Government rather than Central Government.**
- 7.09 Payments were made for plumbing, supplies, building materials, painting supplies and sundry items but no justification was given for the items purchased, and the related projects were not indicated.
- 7.10 While scrutinizing payment vouchers, we observed the following concerns with respect to salary payments deposited in the bank:
- a) Neither the voucher nor the payroll listing was stamped by the bank acknowledging receipt;
 - b) The functions performed and the location for services rendered were not indicated on payment vouchers nor were they indicated on the employee payroll listing.
- 7.11 **We recommended the following:**
- a) **That the bank be requested to stamp and initial both the payment voucher and payroll listing;**
 - b) **That functions performed and location where services were rendered be supplied for audit review.**
- 7.12 Generally we found that payment vouchers were not supported with adequate documentation such as the scope of work for job done and travel reports. There were also instances where the approval of the Administrator and Chief Counselor signatures were missing.
- 7.13 **In an effort to enhance transparency, accountability and efficiency, it is recommended that:**
- a) **Adequate supporting documents/invoices and more detailed information be provided to substantiate payments made;**

- b) **All payments be approved by the Administrator and Chief Councillor as mandated; and**
- c) **All payment vouchers be duly completed indicating the accounting head, activity center and line item number.**

Local Government Reserve Account

- 7.14 We noted that a number of payments were made from the Reserve Account. The authority to disburse monies from this account was not seen.
- 7.15 **The Local Government Procedural Manual Section 3.11 states that the use of unspent funds in the Reserve Account will require the approval of the Minister of Local Government. As noted above we did not see that approval, therefore, we recommended that the approval for the above expenditure be provided for audit review.**

Summary

- 7.16 Some of the concerns are as follows:
 - 1. Payments made without the relevant authority provided;
 - 2. Incorrect line items were being charged;
 - 3. Inadequate details indicated on payment vouchers;
 - 4. Payments made from estimates/quotations instead of invoices;
 - 5. Bank reconciliation statements not presented for the period reviewed.

Cat Island District

Central Government Recurrent Account

- 7.17 During our scrutiny of transactions, we discovered that some of the payment vouchers were not supported with bills or receipts; and although Cat Island is a banking district a number of sundry cash payments were processed with identical reference numbers.

- 7.18 The controls surrounding the use of food coupons need to be improved; we found that many of the coupons used and submitted by business establishments for payment were not signed by the recipients to indicate that the items were received.
- 7.19 **We recommended that due care and attention be exercised in the preparation of payment vouchers and their subsequent posting to the cashbook.**

Local Government Employees Files

- 7.20 A sample review of employees' files showed that employment applications, letters of appointments, vacation forms and pay scales were not available.
- 7.21 Since all of the essential information was not found on the files we could not determine the legitimacy of the employees or whether their pay scales were correct.
- 7.22 **We recommended that all employee files be updated to include, employee applications and letters of employment along with employee's pay scales.**

Eleuthera District

North Eleuthera

Central Government Recurrent Account

- 7.23 We noted that generally the descriptions and supporting documentation was inadequate for payment vouchers. In other cases, the vouchers were not approved by the Island Administrator; neither was the account numbers to which the transactions were to be charged provided.
- 7.24 **In an effort to enhance transparency, accountability and efficiency, it is recommended that:**
- a) **Adequate supporting documents (i.e. invoices, authorization letters, etc.) and detailed information be provided to substantiate all payments made;**
 - c) **All payments be approved by the Administrator prior to them being made; and**
 - d) **Head and item numbers be indicated on all payment vouchers.**

Harbour Island

Central Government Recurrent Account

7.25 During our review of the Central Government Recurrent Account Bank Reconciliation Statement, we noted the following:

- a) Unspent budgeted funds were not returned to the Public Treasury at the end of fiscal years as mandated from 2004;
- b) Our review of the bank reconciliation statement for the Central Government Recurrent Account indicated that errors discovered during the reconciling process are not corrected in a timely manner.

7.26 **As a result of the above observations we recommended the following actions:**

- a) **That all cheques issued for, six (6) months and longer be appropriately cleared off the books.**
- b) **That Treasury's directive regarding unspent budgeted funds at the end of the fiscal year be adhered to;**
- c) **That due care and attention be exercised during the preparation of accounting documents to ensure accuracy and completeness. In addition, that adequate supervision be administered in an effort to minimize errors. We further recommended that the bank account be properly reconciled without undue delay.**

Spanish Wells

Local Government Recurrent Account

7.27 Monthly payments were made for the upkeep of public grounds, roads, harbour and docks in Spanish Wells, however evidence of competitive bidding was not provided; and the agreements setting forth the conditions for works undertaken were not produced for audit review.

7.28 **We recommended that the process used in the selection of this contractor be explained. Also, that the contract negotiated be produced for audit review.**

Central Eleuthera

Central Government Recurrent Account

- 7.29 During our scrutiny of payment vouchers and contracts, we noted the following:
- a) The Scope of work was not included in the contracts;
 - b) Bids were not attached;
 - c) Payment vouchers were not approved for payment by the Administrator;
and
 - d) Certificate of inspections by the Ministry of Works personnel was not attached.
- 7.30 **In an effort to enhance accountability, efficiency and transparency, we recommended that:**
- a) **The scope of work be included in future contracts;**
 - b) **The bidding process used to select contractors be provided for audit review;**
 - c) **All payment vouchers be properly approved prior to payments being made; and**
 - d) **Before future payments of this nature are made, Ministry of Works Certificate of Inspection should be produced to verify that the work was satisfactorily completed.**

Exuma District

Central Government Recurrent Account

- 7.31 We noted that adequate information and supporting documents were not attached or indicated on vouchers to justify the charges made against budget items.
- 7.32 We also noted that some cheques were written to the Administrator rather than suppliers.

- 7.33 **In an effort to enhance accountability, transparency, efficiency and to provide an audit trail, we recommended that detailed information and original supporting documents be provided to substantiate payments. In addition, clarification was requested for the writing of cheques to the administrator rather than directly to the suppliers.**
- 7.34 Some vouchers related to school repairs and to the district superintendent's office were charged against line items that do not exist.
- 7.35 **We recommended that due diligence be exercised during the preparation of accounting documents to ensure accuracy and completeness.**

Capital Projects

East Township – George Town

- 7.36 During our review of contracts for capital Projects we noted in a number of cases that full payments were made and the contracts were not fully executed.
- 7.37 **We recommended that an assessment of the work carried out be done and an explanation be provided to show why full payment was made when the contract was not fully executed.**
- 7.38 In our opinion, fiscal prudence was not being exercised during the disbursement of public funds. Internal controls need to be strengthened to ensure the efficiency and effectiveness of the financial operation. It is also our view that funds expended without authority be reimbursed.

Mayaguana

Social Services Department

- 7.39 During our review of payment vouchers we noted that:
- a) Some vouchers did not have adequate supporting documents attached;
 - b) Details to support expenditure were not provided, for example the reason was not given for the expenditure on temporary accommodation nor the burial or financial assistance rendered;
 - c) Authority for these payments was not seen; and

d) Two payment vouchers (temporary accommodations and room and board for displaced persons) were prepared and approved by the Administrator.

- 7.40 We noted that some persons who were receiving food coupons were gainfully employed as was seen on a monthly National Insurance Contribution Schedule and monthly upkeep payments. In our view, the present system in place for the delivery of food assistance lacked transparency and accountability.
- 7.41 We were advised by the Case Aide Officer that an assessment of individuals need is done prior to the receiving of assistance. However, we were unable to determine the criteria for a person being eligible to receive benefit(s). It also appeared that persons were receiving these benefits for an indefinite period.
- 7.42 **In our opinion, public funds were disbursed without regard for economy, efficiency, transparency and accountability. Internal controls need to be strengthened to ensure efficiency and effectiveness of the operation.**

Grand Bahama



Section 8

Department of Housing

- 8.01 During our audit examination it was observed that there was a pattern of delays in bringing revenue to account.
- 8.02 **We recommended that all government revenue is deposited within twenty (24) hours of receipt to ensure that funds are readily available for use by the government to carry out its fiscal responsibility. Additionally, we recommended that the total cash is reconciled with the reporting documents and that deposits slips are verified and counter signed by another senior staff member to ensure accuracy.**

Port Department

- 8.03 Daily collection of revenue appears to be grossly manipulated throughout this audit period:
- a) There were no daily receipt summaries.
 - b) Revenue collected was not deposited daily. In fact, in some cases revenue was brought to account months later.
- 8.04 **We recommended that the Port Department implement proper and effective Internal Controls to provide assurance that public funds are properly assessed, collected, recorded and deposited to the government's bank accounts on a daily basis.**

Bahamas Customs Department



Section 9

Bahamas Customs Department

- 9.01 Under the provision of the Customs Management Act 1976, the Custom Department, is responsible for the collection and protection of revenue obtained from General Import Duty and Excise Duties. The Department is also responsible for collecting, Departure Tax, Passenger Ticket Tax and other miscellaneous fees.
- 9.02 According to the figures provided by the Customs Department, the total revenue collected during the fiscal year July 1, 2008 to June 30, 2009 amounted to \$681,749,283.15 compared with \$782,090,482.52 collected during the fiscal period July 1, 2007 to June 30, 2008; a decrease of \$100,341,199.37 or approximately (15%).
- 9.03 An analysis of Actual Revenues collected is presented in the table below:

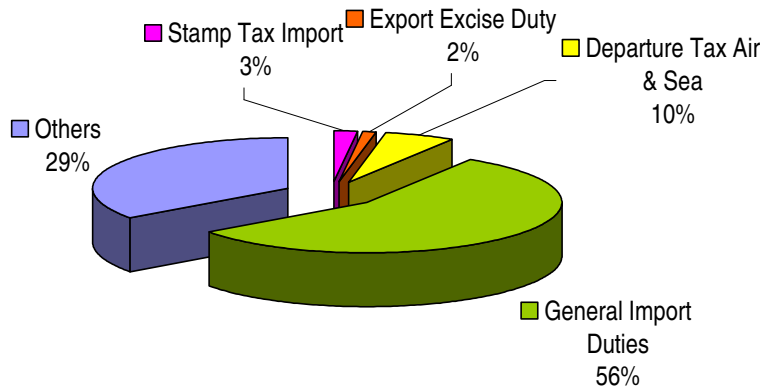
REVENUE ITEMS	ACTUAL REVENUE ESTIMATE (Provisional) 2008/2009	ACTUAL REVENUE CUSTOMS 2008/2009	ACTUAL REVENUE CUSTOMS 2007/2008
General Import Duty	\$ 379,497,050.66	\$ 379,323,930.58	\$ 524,002,318.40
Export Excise Duties	\$ 12,738,673.91	\$ 10,204,418.60	\$ 13,347,246.86
Excise Tax	\$ 187,170,733.73	\$ 187,669,082.94	0
Air Departure Tax	\$ 26,825,630.85	\$ 25,215,346.00	\$ 30,365,968.96
Sea Departure Tax	\$ 41,399,682.74	\$ 41,362,988.90	\$ 41,712,817.68
Passenger Tax/Pleasure Craft	\$ 335,815.10	\$ 272,360.00	\$ 218,337.00
Passenger Ticket Tax	\$ 1,480,600.24	\$ 1,398,396.15	\$ 1,348,461.63
Stamp Tax - Import	\$ 15,183,692.30	\$ 15,335,696.54	\$ 149,511,752.65
Stamp Tax - Export	\$ 189,832.89	\$ 17,346.99	\$ 2,740.00
Stamp Tax On Ship Report	0	\$ 9,970.00	\$ 10,070.00
Customs Fines & Forfeitures	\$ 429,033.97	\$ 434,687.95	\$ 296,834.17
Dishonored Cheques-Surcharge	0	\$ 12,068.50	\$ 2,096.00
Storage Fees - Customs	\$ 248,718.32	\$ 237,451.90	\$ 209,738.66
Warehouse Fees	\$ 1,888.00	\$ 1,888.00	\$ 11,091.30
Inspection Fees	\$ 558,372.62	\$ 491,338.43	\$ 679,738.72
Overtime Fees	\$ 6,184,773.23	\$ 6,329,216.20	\$ 6,664,398.35
Container Movement	\$ 1,460,796.73	\$ 1,427,566.00	\$ 1,592,511.30
Container Fees - Freeport	\$ 279,708.50	\$ 315,754.50	\$ 250,751.50

REVENUE ITEMS	ACTUAL REVENUE ESTIMATE (Provisional) 2008/2009	ACTUAL REVENUE CUSTOMS 2008/2009	ACTUAL REVENUE CUSTOMS 2007/2008
Customs Boarding Fees	\$ 28,200.00	0	0
Stamp Duty - Exports	\$ 7,987.46	0	0
Other Customs Charges	\$ 349,615.46	\$ 253,601.30	\$ 153,719.48
Bonding Tax	\$ 930,334.72	\$ 939,049.97	\$ 978,038.86
Royalties	\$ 1,225,345.27	\$ 1,381,545.24	\$ 1,330,039.36
Fishing Permits	\$ 9,290.00	\$ 9,260.00	\$ 13,810.00
Cruising Permit	\$ 101,676.21	\$ 103,890.00	\$ 99,400.00
Boarding Fees	\$ 1,230,121.00	\$ 1,211,500.00	\$ 1,147,200.00
Boarding Fees	\$ 2,030,070.00	\$ 2,399,510.00	\$ 2,751,350.00
Tonnage Dues*	0	\$ 974,086.49	\$ 1,039,290.12
Wharfage Dues*	\$ 89,512.67	\$ 2,668,239.90	\$ 2,623,825.66
Pierage Dues*	0	\$ 174,037.54	\$ 155,567.36
Rental of Various Properties	\$ 118,820.62	\$ 118,804.62	\$ 87,085.21
Landing Fees*	0	\$ 563,704.00	\$ 618,687.52
Harbour Fees	\$ 950.00	0	0
Deferred Customs Duty Payments	0	\$ 9,533.24	\$ 53,734.39
Transportation Fees	0	\$ 391,013.32	\$ 275,144.26
Cash Found Over	0	\$ 27,555.00	\$ 598.82
Auction Sales	0	\$ 459,726.35	\$ 494,618.30
Miscellaneous Deposits	0	\$ 4,718.00	\$ 1,500.00
Secured Customs Duties - NP	0	0	\$ 40,000.00
GRAND TOTALS	\$ 680,106,927.20	\$ 681,749,283.15	\$ 782,090,482.52

9.04 The percentage allocation of actual revenue for July 2008-June 2009 is as follows.

REVENUE ITEMS	% ALLOCATION
Stamp Tax Import	3%
Export Excise Duty	2%
Departure Tax Air & Sea	10%
General Import Duties	56%
Others	29%
GRAND TOTAL	100%

PERCENTAGE ALLOCATION



■ Stamp Tax Import
 ■ Export Excise Duty
 ■ Departure Tax Air & Sea
 ■ General Import Duties
 ■ Others

9.06 The break down of Revenue collected July 2008- June 2009 by region is as follows:

CUSTOMS OFFICE	FISCAL YEAR JULY 1, 2008 TO JUNE 30, 2009	FISCAL YEAR JULY 1, 2007 TO JUNE 30, 2008
New Providence	\$548,682,641.40	\$625,520,113.90
Freeport, Grand Bahama, & West End	\$57,229,264.21	\$66,350,536.94
Family Islands	\$75,837,377.84	\$90,219,831.68
Grand Total	\$681,749,283.45	\$782,090,482.52

Incomplete Manifest

9.10 We conducted an examination of incomplete manifest, the following were observed:

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

- II. A number of office orders were authorized by management for the release of goods, and the absence of duty entries is an indication that relevant duties have not been collected.
- III. The total outstanding entries amounted to **5,765**. No dollar (\$) value amounts were submitted on the outstanding entries.

INCOMPLETE MANIFEST (OUTSTANDING ENTRIES)

PORT LOCATION	TOTAL
Arawak Cay	301
Harbour Office	41
Executive Air	5
John Alfred Wharf	231
Kelly's Dock	59
Prince George Wharf	5
Seaboard Marine	137
Clifton Pier	17
Union Wharf	12
Nassau Air Terminal	2,494
Nassau East Ramp	13
Odysey	397
Freeport Air Freight	20
Freeport Air Terminal	357
Freeport Harbour	1,280
Marsh Harbour Airport	2
Marsh Harbour Airport	5
Marsh Harbour Public Dock	48
Bimini Public Dock	105
Bimini Airport	1

PORT LOCATION	TOTAL
Governor's Harbour Public Dock	56
George Town Airport	65
George Town Public Dock	7
Congo Town Public Dock	39
Treasure Cay Airport	7
Green Turtle Cay Public Dock	2
Stella Maris Public Dock	7
West End Public Dock	52
TOTAL	5765

Queries

- 9.12 During the fiscal year 2008/2009, 1,457 queries totaling \$756,323.50 were raised with the Customs Department, of this amount 973 were satisfactorily resolved, which resulted in \$591,825.81 being collected.

PORT/STATION	QUERIES RAISED	DOLLAR VALUE \$	QUERIES ANSWERED	DOLLAR VALUE \$
Customs House	1252	715,399.93	942	589,009.55
Air Express	30	8,861.60	11	693.19
Family Islands	175	32,061.97	20	2,122.35
Grand Total	1457	\$756,323.50	973	\$591,825.81

The Gaming Board



Section 10

The Gaming Board

The Gaming Board

Revenue

10.01 The total revenue collected during the fiscal year 2008/2009 amounted to \$50,650.00. The revenue collected during the prior year amounted to \$86,680.00, resulting in a decrease of \$36,030.00 or approximately 42%

Casino Taxes

10.02 I. Crystal Palace Casino

The Gaming and Basic Taxes for the year amounted to \$4,683,508.13 and the amounts collected equaled \$3,365,855.30, resulting in an outstanding balance of \$1,317,652.83. The tax deferment granted in April 2005 was scheduled to end in April 2009; however, the amount of \$2,150,000.00 remained outstanding. There was no indication that the period of deferment was extended.

II. Isle of Capri

According to documents presented the tax position for the year was as follows:

Gaming and Basic Taxes	\$2,447,269.61
Payments made	<u>1,457,512.40</u>
Outstanding Balance	<u>\$ 989,757.21</u>

III. Paradise Island Casino

According to documents presented, the tax position for the year was as follows:

Gaming and Basic Taxes	\$10,257,859.00
Payments made	<u>10,545,546.70</u>
Balance	<u><\$ 287,687.70></u>

IV. Casino at Emerald Bay

According to documents presented, the tax position for the year was as follows:

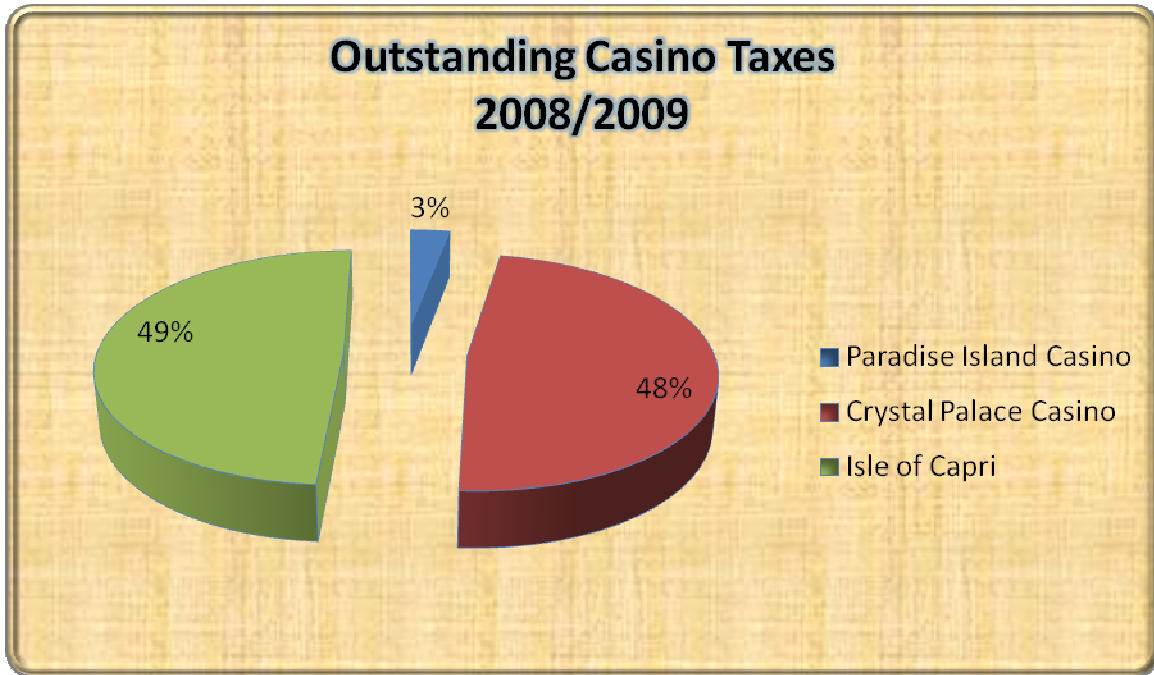
Gaming Tax	\$ 16,493.75
Taxes outstanding from prior years	<u>352,738.54</u>
Total Taxes owed	369,232.29
Payments made during the year	<u>219,232.29</u>
Unpaid balance	<u>\$ 150,000.00</u>

This casino ceased operation in The Bahamas on January 3, 2009.

V. The non-compliance regarding payment of casino taxes resulted in increased outstanding taxes as shown in the following table:

CASINOS	OUTSTANDING TAXES 2008/2009 \$	OUTSTANDING TAXES PRIOR YEARS \$	TOTAL OUTSTANDING TAXES \$
Paradise Island Casino	(287,687.70)	1,339,763.81	1,052,076.11
Crystal Palace Casino	3,467,652.83	12,789,048.43	*16,256,701.26
Isle of Capri	989,757.21	15,530,486.04	16,520,243.25
Total Outstanding Taxes	4,169,722.34	29,659,298.28	33,829,020.62

*Deferred payment of taxes at a rate of \$2,150,000.00 a year for 2006 – 2009 amounting to \$8,600,000.00 is included.



VI. Closed casinos outstanding taxes, are as follows:

CASINO	AMOUNT \$
Lucayan Beach	24,225,684.00
Ruffin's Crystal Palace	5,129,695.40
Casino at Bahamia	13,219,141.78
Casino at Emerald Bay	150,000.00
Total Outstanding Taxes	42,724,521.18

10.03 We again recommended that urgent steps be taken to collect taxes due the Government before the opportunity to do so no longer exist. We also recommended that a policy decision be made to clear the books of amounts that are owed by closed casinos.

Treasury Final Accounts

Section 11

Treasury Final Accounts

Bank Reconciliation

Un-reconciled Inactive Bank Accounts

- 11.01 There are eighteen inactive general ledger bank accounts that remain on the 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 lack of supporting documents. There are no monies in the commercial banks to these accounts.
- 11.02 Reportedly, management has requested for these accounts to be written-off since 2000 with numerous follow-ups to the 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.
- 11.03 During the year under review we observed a change in the balance under the Expenditure Recurrent Account (Head 022 Item 1003) of \$19,374.24.
- 11.04 The table below shows the status of these inactive accounts.

Head and Item 103	Account Title	Bank Account No.	General Ledger Balance as at June 30, 2008 \$	General Ledger Balance as at June 30, 2009 \$	Difference \$
1001	Consolidated B\$	2327765	5,969,475.90	5,969,475.90	
1002	Consolidated US\$	4331096	-3,376,253.25	-3,376,253.25	
1003	Expenditure B\$	2327955	24,636,253.88	-24,655,628.12	19,374.24
1004	Expenditure US\$	4331179	-2,068,490.89	-2,068,490.89	
1006	Expenditure B\$ (3)	2328003	11,252,011.12	11,252,011.12	
1014	Consolidated B\$	1101997	2,309,122.89	2,309,122.89	
1015	Consolidated US\$	4024360	1,364,232.60	1,364,232.60	
1016	Expenditure B\$	1102011	5,557,636.10	5,557,636.10	
1017	Expenditure US\$	4024386	2,689,361.72	2,689,361.72	
1018	Capital B\$	1102029	2,797,007.52	2,797,007.52	

Head and Item 103	Account Title	Bank Account No.	General Ledger Balance as at June 30, 2008 \$	General Ledger Balance as at June 30, 2009 \$	Difference \$
1018-12	Capital B\$		713,761.23	713,761.23	
1019	Expenditure	1102045	2,162,583.27	2,162,583.27	
2001	Fixed Deposit B\$	2327906	6,496,970.22	6,496,970.22	
2002	Fixed Deposit US\$	4331138	936,481.94	936,481.94	
2011	Fixed Deposit Income	2327914	-30,044,699.73	-30,044,699.73	
2014	Fixed Deposit Income B\$	1102003	9,160,568.31	9,160,568.31	
2015	Fixed Deposit Income B\$	4024378	168,594.02	168,594.02	
2016	Fixed Deposit	1102037	5,530,360.83	5,530,360.83	

11.05 The Office of the Auditor General is of the opinion that this issue has been outstanding for too long and a decision should be made to have it resolved expeditiously.

Public Officer's Loan

11.06 We compared the Public Officer's Loan Fund Statement with the Deposit Fund Register and the accounting records at June 30, 2009. We noted the following difference:

a.	Loan Granted as per Loan Statement		\$1,167,259.00
	Totals as per register – Medical	960,965.81	
	Educational	75,745.00	
	Vehicle	<u>97,500.00</u>	<u>1,134,210.81</u>
	Difference		<u>\$ 33,048.19</u>
b.	Loan Refunds as per Loan Statement		\$ 16,295.00
	Totals as per register – Medical	21,322.20	
	Educational	<u>33,621.57</u>	<u>54,943.77</u>
	Difference		<u>\$ (38,648.77)</u>

c.	Loan Repayments as per Loan Statement		\$1,246,889.00
	Totals as per register – Medical	1,165,820.99	
	Educational	12,307.66	
	Vehicle	<u>74,360.30</u>	<u>1,252,488.95</u>
	Difference		<u>\$ (5,599.95)</u>

11.07 **We recommended that the loan differences be reconciled.**

Audit Certificate



**AUDIT CERTIFICATE
THE FINAL ACCOUNTS OF
THE GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS
FOR THE YEAR ENDED JUNE 30, 2009**

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; 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, 2009.

Terrance S. Bastian (Mr.)
Auditor General

Nassau, Bahamas
December 10, 2010

Annex



Report of the Auditor General

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ANNEX I

Statement of Accounts



**STATEMENT OF ACCOUNTS
FOR
THE YEAR ENDED JUNE 30, 2009**

RECURRENT REVENUE ACCOUNT							
	Original Budget 2008-09 \$(millions)	Revised Budget 2008-09 \$(millions)	Actual Revenue 2008-09 \$(millions)	Actual Revenue 2007-08 \$(millions)	Actual Variance 2009-08 \$(millions)	Budget Actual Variance \$(millions)	Budget Variance Percent %
TAX REVENUE	1,378.83	1,378.83	1,082.17	1,218.85	(136.68)	(296.66)	(0.22)
NON-TAX REVENUE	195.17	195.17	249.15	226.32	22.84	53.98	0.28
SUB-TOTAL	1,574.00	1,574.00	1,331.32	1,445.16	(113.84)	(242.68)	0.06
REFUND OF REVENUE			(12.59)	(17.68)	5.09		
TOTAL	1,574.00	1,574.00	1,318.73	1,427.48	(108.75)	(242.68)	0.05
RECURRENT EXPENDITURE ACCOUNT							
	Original Budget 2008-09 \$(millions)	Revised Budget 2008-09 \$(millions)	Actual Expenditure 2008-09 \$(millions)	Actual Expenditure 2007-08 \$(millions)	Actual Variance 2009-08 \$(millions)	Budget Actual Variance \$(millions)	Budget Variance Percent %
PERSONAL EMOLUMENTS	619.29	620.92	578.39	557.13	21.27	40.89	0.066
PUBLIC DEBT PRINCIPAL	70.34	70.34	66.58	61.89	4.69	3.75	0.05
PUBLIC DEBT INTEREST	164.89	164.89	160.28	146.11	14.17	4.61	0.03
OTHER CHARGES	714.63	747.83	702.02	655.86	46.17	12.60	0.02
TOTAL	1,569.13	1,603.97	1,507.28	1,420.99	86.29	61.85	0.04

**STATEMENT OF ACCOUNTS
FOR
THE YEAR ENDED JUNE 30, 2009**

OPERATING									
SURPLUS/DEFICIT)	4.87	(29.97)	(188.55)	6.49	(195.05)	(304.53)	0.02		
DEFICIT FINANCING	0.00	0.00	135.00	0.00	135.00	0.00	0.00		
SURPLUS/DEFICIT	4.87	(29.97)	(53.55)	6.49	(60.05)	(304.53)	0.02		
CAPITAL DEVELOPMENT ACCOUNT									
Actual Financing 2008-09 \$(millions)	315.83	250.24	263.06	52.78	83.29%				
CURRENT AND CAPITAL ACCOUNT BALANCES									
CURRENT ACCOUNT	(52.41)	(20.59)	(31.82)						
CAPITAL ACCOUNT	40.69	14.90	25.79						
	(11.71)	(5.69)	(6.02)						

ANNEX 2

Balance Sheet



**THE COMMONWEALTH OF THE BAHAMAS
BALANCE SHEET AS AT 30 JUNE, 2009**

	2009	2008	2009	2008
	B\$	B\$	B\$	B\$
ASSETS				
Cash & Bank Balances (Note 5)	(42,561,206)	(25,775,093)	(52,407,790)	(20,588,190)
Sinking Fund (Note 10)	12,799,598	3,699,598		
Accounts Receivables	17,480,452	15,821,546		
Investments	567,759	567,759	40,694,393	14,902,000
	<u>(11,713,397)</u>	<u>(5,686,190)</u>	<u>(11,713,397)</u>	<u>(5,686,190)</u>
		DEPOSITS FUND		
Cash & Bank Balances (Note 5)	26,854,028	4,903,338		
Sinking Fund (Note 10)	187,868	180,079		
Accounts Receivables	960,529	928,084		
Investment-Emslie Trust	47,800	47,800	28,050,224	6,059,301
	<u>28,050,224</u>	<u>6,059,301</u>	<u>28,050,224</u>	<u>6,059,301</u>
		POST OFFICE SAVINGS BANK		
Cash and Bank Balances	3,520	109,694		
Fixed Deposits Bank of Bahamas	3,163,190	2,729,472		
Investments-Local	3,190,000	3,190,000	6,356,710	6,029,166
	<u>6,356,710</u>	<u>6,029,166</u>	<u>6,356,710</u>	<u>6,029,166</u>
		LIABILITIES, EQUITIES AND FUNDS		
		CONSOLIDATED FUND		
		Current Account		

ANNEX 3

Statement of Consolidated fund Current Account



THE COMMONWEALTH OF THE BAHAMAS
CONSOLIDATED FUND
CURRENT ACCOUNT
FOR YEAR ENDED 30 JUNE, 2009

	2009 B\$	2008 B\$
Balance as at 1st. July	(20,588,188.54)	(69,920,733)
Add: Receipts		
Recurrent Revenue	1,331,321,190	1,445,162,764
Less:		
Revenue Refunds	<u>(12,590,227)</u>	<u>(17,681,191)</u>
Supplementary & Deficit Financing (BGRS/US\$ Bond) Other Deposits Note(6)(a)	<u>1,318,730,964</u> 135,000,000 921,593,112	<u>876,596,661</u> 0
	<u>2,375,324,076</u>	<u>2,304,078,235</u>
	2,354,735,886	2,234,157,502
Less: Payments		
Recurrent Expenditure	(1,507,281,532)	(1,421,366,836)
Other Withdrawals Note(6) (a)	<u>(899,862,144)</u>	<u>(833,378,856)</u>
	<u>(2,407,143,676)</u>	<u>(2,254,745,691)</u>
Balance as at 30th. June	<u>(52,407,790)</u>	<u>(20,588,190)</u>

ANNEX 4

Statement of Consolidated Fund Capital Account



THE COMMONWEALTH OF THE BAHAMAS
CONSOLIDATED FUND
CAPITAL ACCOUNT
FOR YEAR ENDED 30 JUNE, 2009

	2009 B\$	2008 B\$
Balance as at 1st. July	14,902,000	(49,063,566)
Add: Receipts		
Proceeds from Stock/Bond Issues	257,226,000	265,320,900
Proceeds from Loans	31,511,625	29,614,298
	<u>288,737,625</u>	<u>294,935,198</u>
Other Capital Income	110,527	54,500
	<u>288,848,152</u>	<u>294,989,698</u>
Less: Payments		
Capital Expenditure	(139,776,764)	(178,002,733)
Loans, Contributions & Advances to Corporations	(123,278,994)	(53,021,400)
	<u>(263,055,758)</u>	<u>(231,024,133)</u>
Balance as at 30th. June	<u>40,694,393</u>	<u>14,902,000</u>

ANNEX 5

Statement of Deposit Fund Account



THE COMMONWEALTH OF THE BAHAMAS
DEPOSIT FUND ACCOUNT
FOR YEAR ENDED 30 JUNE, 2009

	2009 B\$	2008 B\$
Balance as at 1st. July	6,059,301	10,593,297
Add: Receipts		
Deposits Note (6) (b)	48,067,891	13,807,866
	<u>54,127,192</u>	<u>13,807,866</u>
Less: Payments		
Withdrawals Note (6) (b)	(26,076,968)	24,401,163
	<u>(26,076,968)</u>	<u>(18,341,862)</u>
Balance as at 30th. June	<u>28,050,224</u>	<u>6,059,301</u>

ANNEX 6

Statement of Post Office Savings Bank



**THE COMMONWEALTH OF THE BAHAMAS
POST OFFICE SAVINGS BANK STATEMENT
FOR YEAR ENDED 30 JUNE, 2009**

	2009 B\$	2008 B\$
Balance as at 1st. July		5,737,225
Add:		
Receipts from Interest income	327,544	291,941
	<u>327,544</u>	<u>291,941</u>
	6,356,710	6,029,166
Deduct:		
Bank Service Charge	0	0
	<u>0</u>	<u>0</u>
Balance as at 30th. June	<u>6,356,710</u>	<u>6,029,166</u>

ANNEX 7

Statement of Public Officers' Loan Fund



THE COMMONWEALTH OF THE BAHAMAS
PUBLIC OFFICERS' LOAN FUND STATEMENT
FOR YEAR ENDED 30 JUNE, 2009

	2009 B\$	2008 B\$
Beginning Fund Position		(853,937)
Add: Loan Repayments	1,246,889	1,067,563
	<u>1,246,889</u>	<u>1,067,563</u>
Less: Loans made in period	(1,167,259)	(943,627)
	<u>478,439</u>	<u>213,626</u>
Refund of Deductions	(16,295)	(38,449)
	<u>(1,183,555)</u>	<u>(982,076)</u>
Ending Fund Position	<u>(705,115)</u>	<u>(768,450)</u>
Public Officers Loan Reserve	10,000	10,000
Total Loan Fund	<u>(695,115)</u>	<u>(758,450)</u>

ANNEX 8

Notes to the financial Statements



**THE COMMONWEALTH OF THE BAHAMAS
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2009**

ANNEX 8

(1) FINANCIAL REPORTING AND ACCOUNTING POLICIES

The Accounts of the Commonwealth of the Bahamas, are presented to Parliament annually and contain among other information, the details of Revenue, Recurrent and Capital Expenditure, the Public Debt and the Contingent Liabilities of the Government, as well as detailed Revenue by category and detailed Expenditure by object.

The receipts of Public Revenues, the disbursement of Public Funds, the control of Expenditures and the maintenance and auditing of the accounts of the Commonwealth are governed by the Constitution, the Financial Administration and Audit Act 1973, and the Financial Rules and Regulations 1975.

(2) THE REPORTING ENTITY

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.

(3) BUDGETARY PROCESS

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

Authority for recurrent and capital expenditure expire 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) ACCOUNTING POLICY

The accounts of the Commonwealth of the Bahamas are kept on the cash basis, revenues being recorded when received and expenditure being recorded when paid with the following exception:
Cheques received from the general public and other sources which were subsequently dishonoured by the drawee bank are carried as an accounts receivable until these cheques are honoured.

Schedules of the Public Debt and Contingent Liabilities are provided for information purposes.

**THE COMMONWEALTH OF THE BAHAMAS
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2009**

ANNEX 8

<u>(5) CASH AND BANK BALANCES</u>	<u>2009</u>	<u>2008</u>
<u>Consolidated Fund</u>		
New Providence & Freeport (A/c 101,102,103,105)	(36,754,480)	(34,791,889)
Family Island (A/c 104,323,324,)	6,992,872	12,716,394
Sub-Total	(42,561,206)	(25,775,093)
<u>Deposits Fund</u>		
New Providence & Freeport (A/c 101,102,103,105.)	20,195,853	(1,246,420)
Family Island (A/c 104, 323, 324,)	6,846,043	6,329,837
Sub-Total	26,854,028	4,903,338
Total	(15,707,178)	(20,871,755)

(6) DEPOSITS AND WITHDRAWALS

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

(b) The amounts shown equal actual deposits and repayments made from the Deposits Fund within the year under review. (See Note 2)

(7) POST OFFICE SAVINGS BANK (Chapter 286 Section 10)

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

(8) PUBLIC OFFICERS' LOAN FUND

The Public Officer's Loan Fund was established to assist Public Officers with urgent/ unexpected medical expenses, to pursue additional academic qualifications and to purchase 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 attracts interest at the prime rate. The amounts outstanding as at June 30, 2008 and June 30, 2009 are \$1,405,958.27 and \$1,451,485.60 respectively.

THE COMMONWEALTH OF THE BAHAMAS
NOTES TO THE FINANCIAL STATEMENTS
FOR YEAR ENDED 30 JUNE, 2009

ANNEX 8

(9) SIGNIFICANT EVENTS

(i) In fiscal year ended December 31, 1986 \$2,440,000 representing the fraudulent conversion of Treasury Cheques were discovered.

Subsequent investigation into the matter has resulted in several persons, including a Senior Public Officer being charged with the criminal offences of fraud in this amount. A Nolle Prosequi was issued by the Attorney General in this matter which has since been withdrawn from the courts.

Due to the nature of this case, a civil suit is planned against the paying Bank and this matter has been submitted to the Attorney General for a decision.

(10) 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)
- b) The redemption of a US\$200 million Bond (2003-2033) in accordance with agreement executed by the Minister of Finance in July 2003.
- c) The redemption of a US\$100 million Bond (2008-2038) in accordance with agreement executed by the Minister of Finance in July 2008.
- d) The redemption of B\$24 million Bond for the Clifton Heritage as per The Clifton Heritage Authority Act, 2004.

(11) 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.

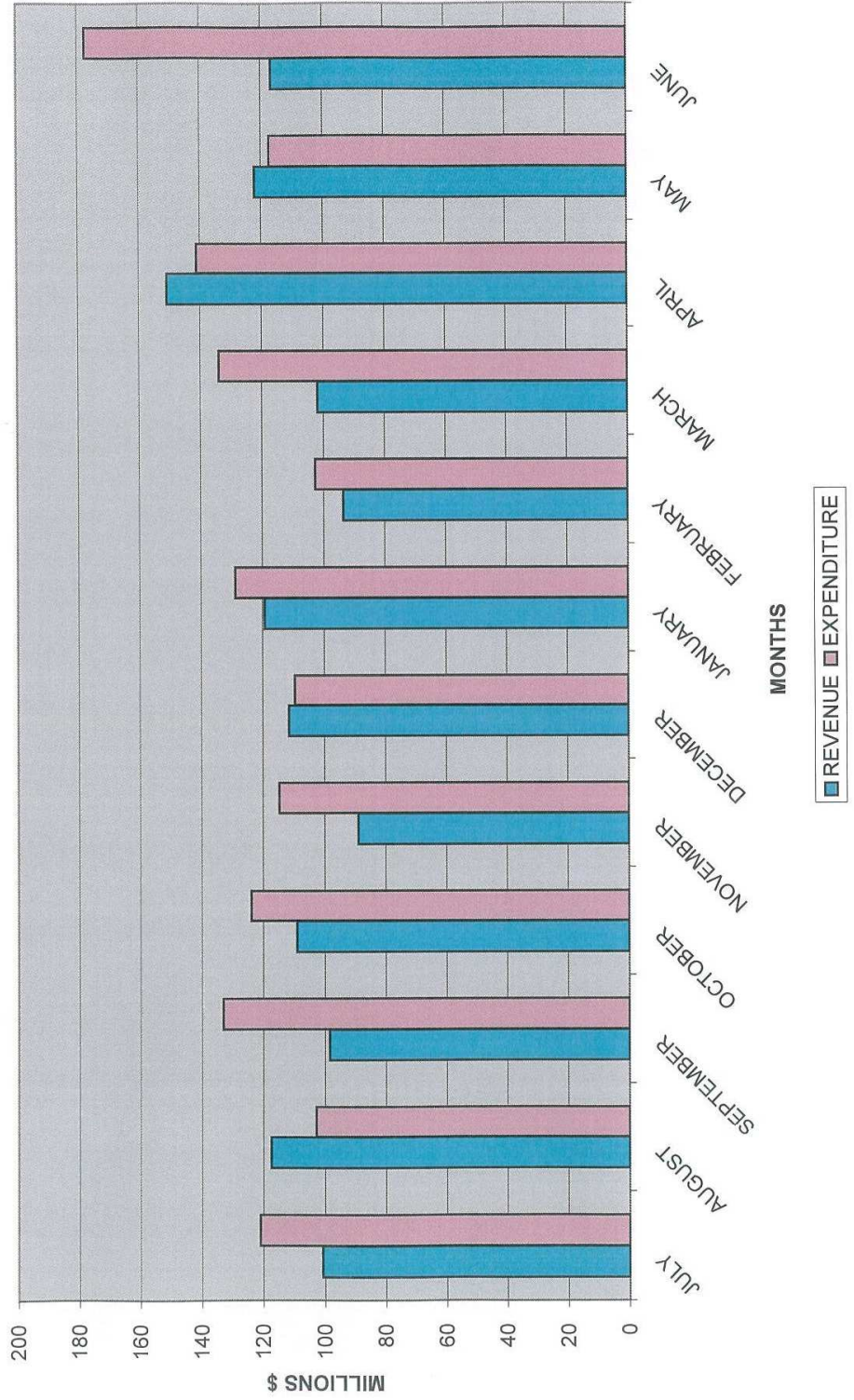
(12) CONFISCATED ASSET FUND

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.

ANNEX 9

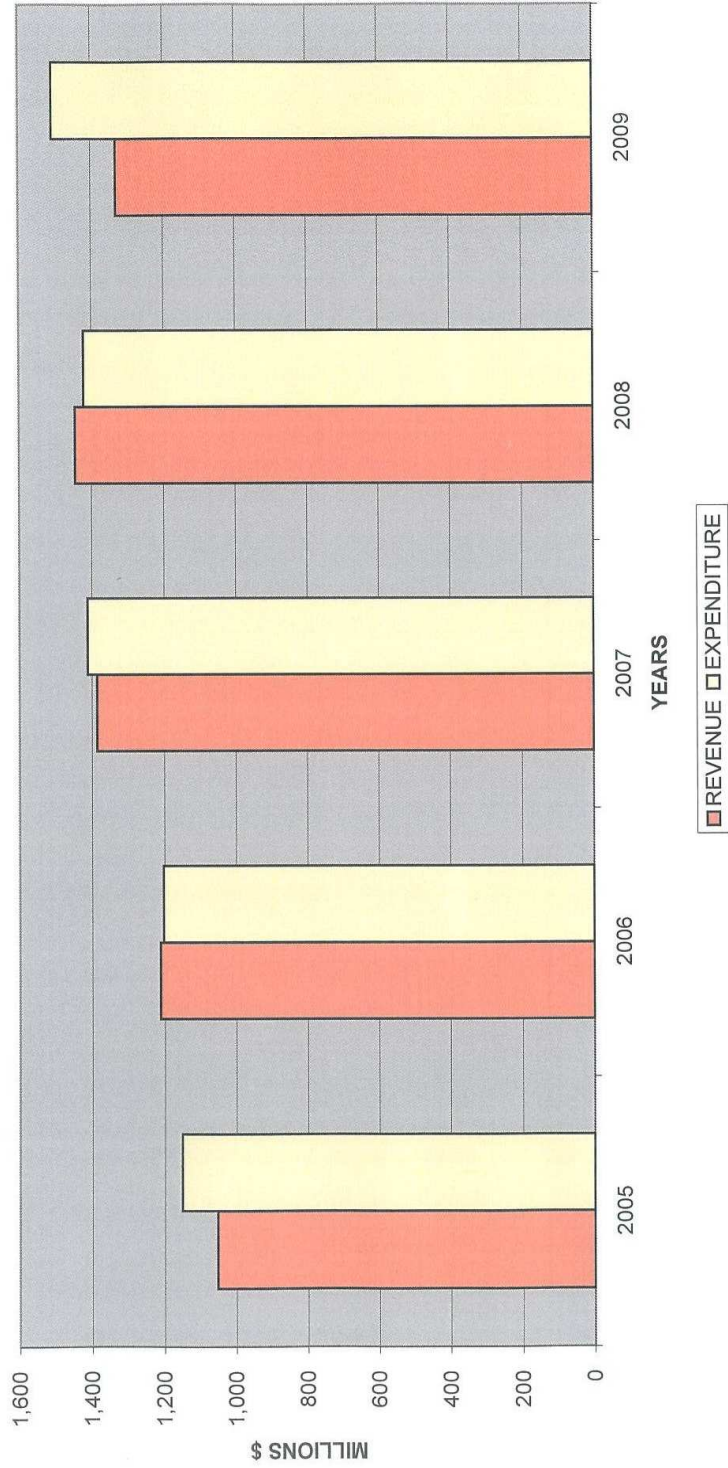
Revenue & Expenditure

THE COMMONWEALTH OF THE BAHAMAS
REVENUE & EXPENDITURE FOR YEAR ENDED JUNE 30 2009



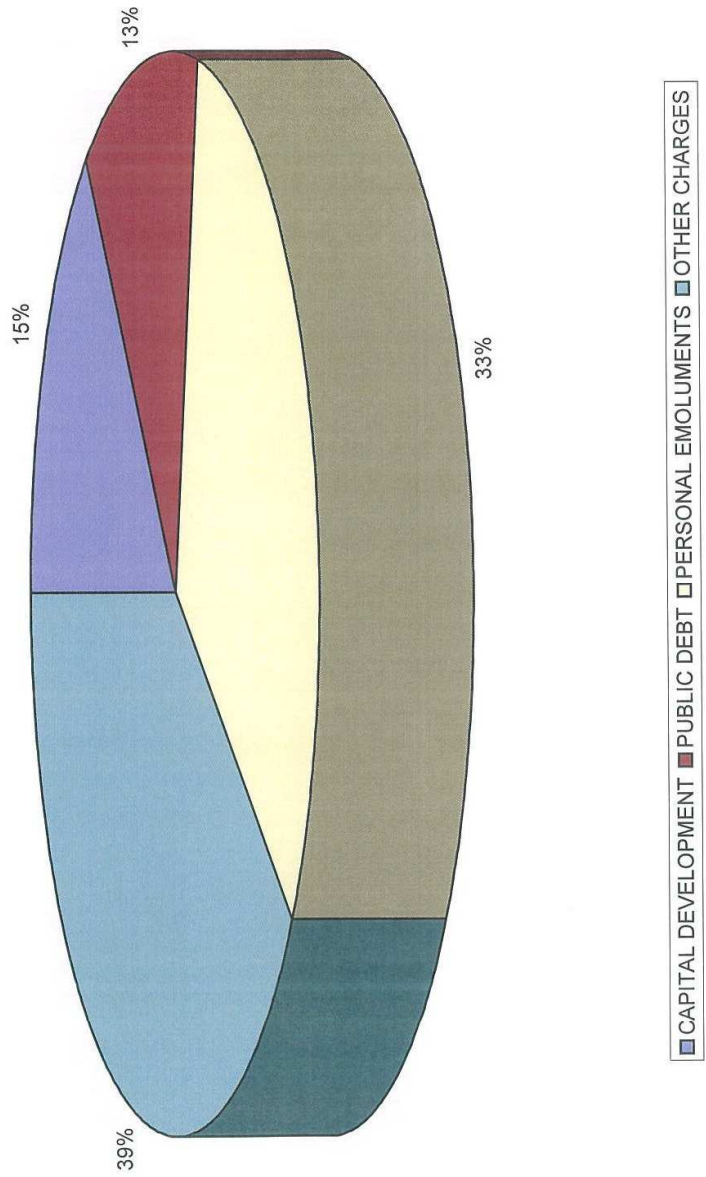
THE COMMONWEALTH OF THE BAHAMAS

REVENUE & EXPENDITURE FOR FIVE (5) YEAR PERIOD 2005-2009



THE COMMONWEALTH OF THE BAHAMAS

PIE CHART OF EXPENDITURE FOR YEAR ENDED JUNE 30, 2009



ANNEX 10

Public Debt Statement



**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
1 Bahamas Government Registered Stock			2,730,549,100	2,718,805,100	50,000,000	514,886,000	2,153,919,100	0	
Loans Syndicated and payable in Bahamian Dollars			390,310,523	389,573,475	1,806,000	12,599,365	375,168,110	187,868	
3 Loans Syndicated and payable in US Dollars & Other Currencies			1,037,863,831	872,351,622	6,351,025	290,384,401	575,616,196	12,800,000	
TOTAL			4,158,723,454	3,980,730,197	58,157,025	817,869,766	3,104,703,406	12,987,868	

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
<u>BAHAMAS GOVT REGISTERED STOCK</u>									
1 \$10.0m Treasury Stock (15/16% above prime) (27/8/92) Maturing 2006	1992	2006	10,000,000	10,000,000		10,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of the House of Assembly dated December 21, 1991
2 \$12.6m Treasury Stock (29/07/92) (3/4 & 13/16% above prime) Maturing 2003 & 2004	1992	2003/04	12,600,000	12,600,000		12,600,000	0		Bahamas Registered Stock Act 1973 and Resolution of the House of Assembly dated November 6, 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	0		Bahamas Registered Stock Act 1973 and Resolution of the House of Assembly dated December 21, 1991
4 \$20.0m Treasury Stock (31/07/86) (8 3/4%) Maturing 2006	1986	2006	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	1997/05	20,000,000	20,000,000		20,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of the House of Assembly dated December 21, 1989

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
6 \$8.256m Treasury Stock (16/12/92) (5/8 & 3/4 above prime rate Maturing 2001 & 2003	1992	1998/03	20,000,000	8,286,000		8,286,000	0		Bahamas Registered Stock Act 1973 and Resolution of the House of Assembly dated December 21, 1991
7 \$20.0 m Treasury Stock (5/10/93) (9/16, 5/8% above prime) Maturing 2009 & 2010	1993	2009/10	20,000,000	20,000,000		0	20,000,000		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated June 11, 1993
8 \$25.0m Treasury Stock (17/03/86) 10 & 10 1/2%) Maturing 1996 & 2006	1986	1996/06	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
9 \$25.0m Treasury Stock (6%, 8 1/2% and 8 3/4%) (20/07/88) Maturing 1994, 1998 & 2003	1988	2003	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, 1987
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		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
11 \$25.0m 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	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated December 21, 1990
12 \$25m Treasury Stock (05/03/92) (1/4% 3/4% above prime) Maturing 2002 & 2004	1992	2002/04	25,000,000	25,000,000		25,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of the House of Assembly dated
13 \$25.0m Treasury Stock (11/12/91) (1/4, 1/2, 3/4% above prime) Maturing 2002, 2003 & 2004	1991	2002/04	25,000,000	25,000,000		25,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated November 6, 1991
14 \$25m Treasury Stock (02/06/92) (7/8% above prime) Maturing 2005	1992	2005	25,000,000	25,000,000		25,000,000	0		Bahamas Registered Stock Act 1973 and Resolution of the House of Assembly dated
15 \$45.0m Treasury Stock (1/2, 5/8, 1 1/16, 1 3/16, 1 1/4 % above prime) (23/9/96) Maturing 2004, 2006, 2010, 2013, 2015, & 2016			45,000,000	45,000,000		10,000,000	35,000,000		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated June 15, 1995 and June 13, 1996

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
\$28.0m Treasury Stock (06/10/92) 16 (5/16, 3/16, 9/16 & 11/16 above prime) Maturing 1996, 1997, 2000 & 2002	1992	1996/2002	28,300,000	28,300,000		28,300,000	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated December 21, 1991.
\$30.0m Treasury Stock (08/2/97) (1 1/8, 1 7/8 % above prime) 2015 & 2016	1997	2015/06	30,000,000	30,000,000		0	30,000,000		Bahamas Registered Stock Act 1973 and Resolution of the House of Assembly dated December 17, 1997
\$35.0m Treasury Stock (8%, 8 1/2%, & 9% (15/3/88) Maturing 1993, 1998 & 2013	1988	2003	35,000,000	35,000,000		15,000,000	20,000,000		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated December 17, 1987
\$35m Treasury Stock (30/7/91) (83/4, 9% per annum & 1/8%, & 1/4% above prime) Matur. 1998, 2001, 2002, 2003	1991	1998/2003	35,000,000	35,000,000		35,000,000	0		Bahamas Registered Stock Act and Resolution of The House of Assembly
\$45m Treasury Stock (18/3/93) (5/8, 3/4, 13/16, 7/8, 15/16, 3/16, 1, 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	0		Bahamas Registered Stock Act 1973 and Resolution of The House of Assembly dated December 9, 1992

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
21 \$47m Treasury Stock (24/8/93 (5/8, 11/16 & 3/4% above prime) Maturing 2010, 2011 & 2012	1993	2010/12	47,000,000	47,000,000	0	0	47,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated December 9, 1993
22 \$50m Treasury Stock (13/12/90) 1%, 1 1/8%, 1 1/4%, 1 3/8% & 1 1/2% above prime rate Maturing 1997, 2000, 2001, 2004 & 2005	1990	1997/2005	50,000,000	50,000,000	0	50,000,000	0		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated November 15, 1990
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, 2010 & 2011	1994	2007/11	55,000,000	55,000,000	15,000,000	20,000,000	20,000,000		Bahamas Registered Stock Act 1973 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	2007/14	65,000,000	65,000,000	15,000,000	20,000,000	30,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 16 1994
25 \$25.0m Treasury Stock (18/05/95) (1% above prime) Maturing 2013	1995	2013	25,000,000	25,000,000	0	0	25,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
26 \$29.0m Treasury Stock (14/6/95) (13/16 & 7/8 above prime) Maturing 2010 & 2011	1995	2010/11	29,000,000	29,000,000		0	29,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated
27 \$30.0m Treasury Stock (26/2/96) (7/8, 1 1/16, 1 1/8% above prime) Maturing 2010, 2013 & 2014	1996	2010/14	30,000,000	30,000,000	0	0	30,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated
28 \$40.0m Treasury Stock (07/5/96) (11/16, 3/4, 13/16, 15/16% above prime) Maturing 2007, 2008, 2009, 2011	1996	2007/11	40,000,000	40,000,000	10,000,000	20,000,000	10,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated
29 \$40.0m Treasury Stock (13/06/96) (1 1/16, 1 1/8, 1 3/16, 1 1/4% above prime) 204, 2015, 2016 & 2017	1996	2014/17	40,000,000	40,000,000		0	40,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated
30 \$50.0m Treasury Stock (15/07/97) (17/32%, 9/16%, 19/32%, 5/8%, above prime) Maturing 2014, 2015, 2016 & 2017	1997	2014/17	50,000,000	50,000,000		0	50,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 16, 1997
31 \$50.0m Treasury Stock (15/10/97) (1 1/8%, 1 3/16%, 1 1/4% APR) maturing 2015, 2016 & 2017	1997	2015/17	50,000,000	50,000,000		0	50,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 16, 1997

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
32 \$21.0m Treasury Stock (08/4/98) (7/16%, & 1/2% APR) maturing 2012 & 2014	1998	2012/14	21,000,000	21,000,000	0	0	21,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 16, 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		2011/18	50,000,000	50,000,000	0	0	50,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 15, 1998
34 \$26.0m Treasury Stock (26/2/99) (7/32%, 5/16%, 9/16% above prime rate) Maturing 2007, 2010, & 2018		2007/18	26,000,000	26,000,000	0	10,000,000	16,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 15, 1998
35 \$30.0m Treasury Stock (9/32% 5/16% & 19/32% above prime rate) Maturing 2008, 2009 & 2018		2008/18	30,000,000	30,000,000	10,000,000	0	20,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 15, 1998
36 \$20.73m Treasury Stock (1/8%, 5/32% above prime (11/5/99) Maturing 2005 & 2006	1999	2005/06	20,730,000	20,730,000		20,730,000	0		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 15, 1998

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
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	2011/19	50,000,000	50,000,000	0	0	50,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 16, 1999
38 \$28.0m Treasury Stock (15/11/88) (3/8%, 7/16% & 15/32% above prime rate) Maturing 2016, 2018 & 2019	1999	2016/19	28,000,000	28,000,000	0	0	28,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 16, 1999
39 \$30.0m Treasury Stock (21/09/00) (7/16%, 15/32% & 1/2% above prime rate) Maturing 2000 2018, 2019 & 2020	2000	2018/20	30,000,000	30,000,000	0	0	30,000,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 16, 2000
40 \$25.8m Treasury Stock (21/10/00) (7/16%, 17/32% & 1/2% above prime rate) Maturing 2000 2013, 2019, & 2020	2000	2013/20	25,800,000	25,800,000	0	0	25,800,000		Bahamas Registered Stock Act 1973 and by Resolution of The House of Assembly dated June 16, 2000
41 \$34.3m Treasury Stock (30/07/01) (1/2%, 17/32%, & 9/16% above prime rate) Maturing 2019, 2020 & 2021	2001	2019/21	34,300,000	34,300,000	0	0	34,300,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dated June 20, 2001
42 \$40.9478M Treasury Stock (12/12/01) 15/32, 1/2, 17/32, 9/16 Maturing 2018-2021	2001	2018/21	40,947,800	40,947,800	0	0	40,947,800		Bahamas Registered Stock Act 1973 and by Resolution of the House of Assembly dated December 2001

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
43 \$20.465M Treasury Stock (26/04/02) (17/32% & 9/16 APR) Maturing 2020 & 2021	2002	2020/21	20,465,000	20,465,000	0	0	20,465,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dated June 19, 2002
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		2017/2022	60,000,000	60,000,000	0	0	60,000,000		Bahamas Registered Stock act 1973 and 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		2015/22	65,000,000	65,000,000	0	0	65,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dated June 19, 2002
46 \$61.1m Treasury Stock (04/12/02) (3/16, 11/32, 3/8, 13/32 APR) Maturing 2019, 2021, 2021, 2022 & 2023)	2003	2019/23	61,100,000	61,100,000	0	0	61,100,000		Bahamas Registered Stock act 1973 and 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 - 2023	2003	2014/23	75,000,000	75,000,000	0	0	75,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dated June 20, 2003
48 \$23,289.8M Treasury Stock (09/02/04) (11/32, 3/8) Maturing 2023-2024	2004	2023/24	23,289,800	23,289,800	0	0	23,289,800		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 20 2003

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
49 \$100.0m Treasury Stock (29/07/04)(1/32, 1/13, 1/8, 3/16, 7/32, 1/4, 9/32, 5/16) Maturing 2015-2024	2004	2015-2024	100,000,000	100,000,000		0	100,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 18 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 -2024	2004	2015/24	100,000,000	100,000,000		0	100,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 18 2004
51 \$40.0M Treasury Stock (27/04/05)(7/32, 1/4, 9/32, 5/16) Maturing 2022-2025	2005	2022/25	40,000,000	40,000,000		0	40,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 18 2004
52 \$40.4666M Treasury Stock (28/06/05) (1/8, 1/4, 9/32) Maturing 2020-2025	2005	2020/25	40,466,600	40,466,600		0	40,466,600		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 18 2004
53 \$75.0M Treasury Stock (07/09/05)(5/32, 3/16, 7/32, 1/4, 9/32) Maturing 2021-2025	2005	2021/25	75,000,000	75,000,000		0	75,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 20 2005
54 \$75.0M Treasury Stock (18/01/06)(5/32, 1/4, 9/32, 5/16) Maturing 2021-2026	2006	2021/26	75,000,000	75,000,000		0	75,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 20 2005

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
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		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 20 2005
56 \$51.645M Treasury Stock (04/05/06)(1/4, 9/32, 5/16) Maturing 2024-2026	2006	2024/26	51,645,000	51,645,000	0	0	51,645,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 20 2005
57 \$100M Treasury Stock (22/09/06)(5/82, 3/16, 7/32, 1/4, 9/32, 5/16) Maturing 2021-2026	2006	2021/26	100,000,000	100,000,000	0	0	100,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 21 2006
58 \$50M Treasury Stock (28/03/07)(9/32, 5/16) Maturing 2026-2027	2007	2026/27	50,000,000	50,000,000	0	0	50,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 21 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		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 21 2006
60 \$100M Treasury Stock (26/07/07) Maturing 2027-2037	2007	2027/37	100,000,000	100,000,000	0	0	100,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 14 2007

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
61 \$35M Treasury Stock (08/10/07) Maturing 2027 - 2029	2007	2027/29	35,000,000	35,000,000		0	35,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 14 2007
62 \$31.5009M Treasury Stock (28/11/07) Maturing 2018-2030	2007	2018/30	31,500,900	31,500,900		0	31,500,900		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 14 2007
63 \$100M Treasury Stock (22/09/08) Maturing 2028-2033	2008	2028/33	100,000,000	100,000,000		0	100,000,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 12 2008
64 \$107.226M Treasury Stock (06/01/09) Maturing 2028-2033	2008	2028/33	107,226,000	107,226,000			107,226,000		Bahamas Registered Stock act 1973 and Resolution of the House of Assembly dd. June 12 2008
TOTAL			2,730,549,100	2,718,805,100	50,000,000	514,886,000	2,153,919,100	0	

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
LOANS SYNDICATED IN BAHAMIAN DOLLARS									
1 Central Bank of the Bahamas Advances			97,723,902	96,987,608		0	96,987,608		Section 26 of The Central Bank of The Bahamas Act 1974.
2 Treasury Bills			244,309,754	244,309,000		0	244,309,000		Section 3 of Treasury Bills Act
3 5% Harcourt Malcolm Property Loan 1962/2023 ****1	1964	2022	245,714	245,714		0	245,714	187,868	The Harcourt Malcolm Property Purchase Act (No:2) 1963.
4 Bank of Montreal Purchase Loan 7130 Bank of The Bahamas	1991		10,000,000	10,000,000		5,000,000	5,000,000		Promissory Note signed by The Minister of Finance
5 People's Penny Savings Bank Loan 7681 Bank of The Bahamas	1991		5,000,000	5,000,000	0	3,083,212	1,916,788		Promissory Note signed by The Minister of Finance
6 First Caribbean Intl. Bank RBPF Communication System Loan	2005	2011	9,031,153	9,031,153	1,806,000	4,516,153	2,709,000		Loan Agreement signed by the Minister of Finance
7 Clifton Heritage Authority Maturing 2025-2035	2005	2025/30/35	24,000,000	24,000,000		0	24,000,000		Resolution of the House of Assembly
TOTAL			390,310,523	389,573,475	1,806,000	12,599,365	375,168,110	187,868	
****1 Annual deposit of \$1,486 made to sinking fund re: Redemption of Debenture Harcourt Malcolm property purchase.									

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
<u>LOANS SYNDICATED IN U.S. DOLLARS AND OTHER CURRENCIES</u>									
1 HOTEL CORPORATION VARIOUS BANKS	1992		44,598,403	44,598,403		44,598,403	0		Various loan agreements.
2 US\$10.2m Development Bonds(\$23.5m) (13/4 & 2% APR)	1992	1999/2002	10,200,000	10,200,000		10,200,000	0		Section 10 of the Development Loans Act 1990 & Resolution of the House of Assembly
3 US\$25.0m Bond Issue (CIBC, RBC, BNS, BOB, Citibank & Barclays Bank)	1995	1999/2003	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/OR-BAH)	1986	2001	3,280,000	2,627,683		2,627,683	0		Loan Agreement dated October 16, 1986.
5 Caribbean Development Bank - Exuma Airport (1/OR-BAH)	1986	2001	5,690,000	5,690,000		5,690,000	0		Loan Agreement dated October 16, 1986.
6 US\$50.0M Bond Issue (1997) 2002-2007	1997	2007	50,000,000	50,000,000		50,000,000	0		Letter Agency Agreement between Government of the Bahamas & Chase Manhattan Bank

**COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009**

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
7 Inter-American Development Bank- BAH DEV. BANK-LOAN # 0546/OC-BH	1994	2004	6,000,000	5,450,910		5,450,910	0		Loan Agreement dated 1988 & Resolution of the House of Assembly
8 Road Improvement & Rehabilitation (CDB Loan no: S/SFR-OR-BAH)	1992	1997/2012	12,000,000	6,386,704	425,780	4,663,563	1,277,340		Loan Agreement dated April 9th, 1992.
9 Inter-American Development Bank 1266/OC-BH Infrastructure Rehabilitation {Hurricane Floyd} (March 21, 2001)	2001		21,000,000	20,950,622	1,263,910	3,255,863	16,430,829		Loan Contract No. 1266/OC-BH dated 21/03/01
10 Inter-American Development Bank 1320/OC-BH (New Providence Transport Program) (22/10/01)	2001	2021	46,200,000	34,539,730.79	1,646,697	2,056,086	30,836,948		Loan Contract No. 1320/OC-BH dated 22/10/01
11 Inter-American Development Bank 1589/OC-BH Land Use Policy Loan	2005	2015	3,500,000	2,836,975	200,475	0	2,636,500		Loan Agreement signed by the Minister of Finance
12 Inter-American Development Bank 1617/OC-BH Immediate Response Facility	2005	2025	16,700,000	3,580,621		0	3,580,521		Loan Agreement signed by the Minister of Finance
13 Inter-American Development Bank 1695/OC-BH Education & Training Loan	2006		18,000,000	2,889,279		0	2,889,279		Loan Agreement signed by the Minister of Finance
14 US\$21.0m 848/OC-BH IDB Loan	1995	2020	21,000,000	15,857,660	1,260,866	6,083,174	8,513,620		Loan Agreement signed by the Minister of Finance
15 E. E. C. Rural Energy Project (\$1.0m disbursed in Euro \$)	1991	2000	1,442,766	1,442,766	32,503	204,996	1,205,267		Loan agreement dated November 11, 1990.

COMMONWEALTH OF THE BAHAMAS
PUBLIC DEBT STATEMENT
FOR YEAR ENDED JUNE 30, 2009

ANNEX 10

LOAN DESCRIPTION	DATE OF ISSUE	DATE OF MATURITY	AMOUNT OF LOAN AUTHORIZED	AMOUNT DRAWN DOWN	AMOUNT REDEEMED IN CURRENT YEAR	AMOUNT REDEEMED AS AT 30/06/2008	AMOUNT OUTSTANDING AS AT 30/06/2009	SINKING FUND	REMARKS
16 Food Technology Complex	1982	2021	468,222	468,222	20,181	208,895	239,146		Loan Agreement dated July 22nd, 1982 and Act dated July 1, 1996
17 IDB 1170/OC-BH Solid Waste Management Loan	2001		23,500,000	22,547,707	1,500,613	4,540,348	16,506,746		Loan Contract No. 1170/OC-BH
18 IDB 1247/OC-BH Health Sector Strengthening Loan	2003	2008	784,440	784,440	0	784,440	0		
19 \$125.0M Consortium Loan	2002		125,000,000	125,000,000		125,000,000	0		Resolution House of Assembly June 2002
20 IDB \$100M New Providence Road Imprvmt.	2008		100,000,000	3,000,000			3,000,000		Loan Agreement signed by the Minister of Finance
21 \$200.0 M Bond Issue maturing 2033 (proceeds received (\$195,910,000) ***1	2003	2033	200,000,000	200,000,000		0	200,000,000	11,100,000	Resolution House of Assembly June 2003
22 The Export-Import Bank of China (34,000,000 Yuan)	2006	2022	3,500,000	3,500,000		0	3,500,000		Loan agreement signed by the Minister of Finance
23 US\$100.0M Bond Issue (27/03/2008) maturing 2038 ***2	2008	2038	100,000,000	100,000,000		0	100,000,000	1,700,000	Resolution House of Assembly dd. December 17 2007
24 Bridge Facility Loan ***3	2009		200,000,000	185,000,000			185,000,000		Loan agreement signed by the Minister of Finance
TOTAL			1,037,863,831	872,351,622	6,351,025	290,384,401	575,616,196	12,800,000	

Loans syndicated in other currencies that are revalued daily will be revalued for the final payment. Amounts are shown in Bahamian Dollars.

***1 Annual deposit of \$7.4m invested in sinking fund re US\$200M

***2 Annual deposit of \$1.7m invested in sinking fund re US\$100M.

***3 Part of Loan to be drawn in Bah \$.

ANNEX 11

Statement of Contingent Liabilities



THE COMMONWEALTH OF THE BAHAMAS

CONTINGENT LIABILITIES									
AS AT									
JUNE 30 2009									
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 30/06/09	AMOUNT OUTSTANDING AS AT 30/06/09	SINKING FUND	REMARKS	
1) BAHAMASAIR			72,450,000	72,450,000	56,532,077	15,817,923			
2) BAHAMAS DVLPMIT. BANK			85,035,293	83,361,845	18,861,850	64,499,995			
3) BAHAMAS ELECTRICITY CORPORATION			217,600,000	205,282,151	131,824,454	73,457,697			
4) BAHAMAS TLICM. COM.			109,000,000	109,000,000	30,653,478	78,346,522			
5) CLIFTON HERIT. AUTH.			24,000,000	24,000,000	0	24,000,000			
6) THE AIRPORT AUTH.			51,000,000	51,000,000	3,454,160	47,545,840			
7) THE BRIDGE AUTH.			28,000,000	28,000,000	0	28,000,000			
8) THE EDUC. LOAN AUTH.			107,626,570	70,387,638	2,361,068	68,026,570			
9) THE HOTEL CORP.			5,749,000	5,749,000	2,734,848	3,014,152			
10) THE MORTG. CORP			166,300,000	166,300,000	2,600,000	163,700,000			
11) WATER & SEW. CORP.			55,741,060	55,332,925	25,399,818	30,333,108			
TOTAL			922,501,923	871,863,550	274,521,753	597,341,807			

THE COMMONWEALTH OF THE BAHAMAS

CONTINGENT LIABILITIES AS AT JUNE 30 2009									
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 30/06/09	AMOUNT OUTSTANDING AS AT 30/06/09	SINKING FUND	REMARKS	
BAHAMASAIR HOLDINGS LIMITED									
BANK OF THE BAHAMAS	1991	DEMAND	1,100,000	1,100,000	576,218	523,782			
ROYAL BANK OF CANADA	2002	2009	20,000,000	20,000,000	17,143,561	2,856,439			
	2002	2007	5,000,000	5,000,000	4,137,118	862,882			
SCOTIABANK	2003	2011	7,250,000	7,250,000	5,696,420	1,553,580			
	2004	2009	3,400,000	3,400,000	3,060,000	340,000			
NATIONAL INSURANCE	1989	1996	6,000,000	6,000,000	0	6,000,000			
RBC	1988	2005	3,200,000	3,200,000	2,679,474	520,526			
	1987	2004	10,500,000	10,500,000	9,625,000	875,000			
CITIBANK	2002	2009	16,000,000	16,000,000	13,714,286	2,285,714			
TOTAL			72,450,000	72,450,000	56,632,077	15,817,923			

THE COMMONWEALTH OF THE BAHAMAS

CONTINGENT LIABILITIES									
AS AT									
JUNE 30 2009									
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 30/06/09	AMOUNT OUTSTANDING AS AT 30/06/09	SINKING FUND	REMARKS	
BAHAMA DVL/PMT BANK									
CARIBBEAN DYLEPMT BANK BANK (6TH LINE)	18/05/01	07/05/13	10,000,000	10,000,000	5,677,240	4,322,760			
EUROPEAN ECONOMIC COMMUNITY	30/05/79	08/20	535,293	535,293	148,888	386,404			
BDB BONDS	30/09/05	30/01/26	25,000,000	25,000,000	0	25,000,000			
BDB BONDS	28/11/00	28/11/25	25,000,000	25,000,000	0	25,000,000			
INTERAMERICAN DEVELOPMENT '09/03/99		03/2013	7,000,000	5,326,552	3,389,624	1,936,928			
CARIBBEAN DEVELOPMENT BANK (3RD LINE)	07/08/92	06/2012	7,000,000	7,000,000	5,358,597	1,641,403			
CENTRAL BK #1 (\$2.5M)	10/01/85	07/2009	2,500,000	2,500,000	2,437,500	62,500			
CENTRAL BK #2 (\$3.0M)	21/04/93	04/2018	3,000,000	3,000,000	1,725,000	1,275,000			
CENTRAL BK #4 (\$5.0M)	18/10/99	04/2024	5,000,000	5,000,000	125,000	4,875,000			
TOTAL			85,035,293	83,361,845	18,861,850	64,499,995			

THE COMMONWEALTH OF THE BAHAMAS

CONTINGENT LIABILITIES									
AS AT									
JUNE 30 2009									
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 30/06/09	AMOUNT OUTSTANDING AS AT 30/06/09	SINKING FUND	REMARKS	
BAHAMAS ELECTRICITY CORPORATION									
INTER-AMERICAN DEVELOPMENT BANK LOAN (# 964)			56,000,000	43,682,151	43,682,151	0		Refinanced	
NATIONAL INSURANCE BOARD \$10M	1989	2009	10,000,000	10,000,000	7,274,380	2,725,620			
EUROPEAN INVESTMENT BANK	1986	2011	23,600,000	23,600,000	16,867,923	6,732,077			
SBL,CIT,FCB,RBC,BOB	2003	2009	128,000,000	128,000,000	64,000,000	64,000,000		Refinanced loans	
TOTAL			217,600,000	205,282,151	131,824,454	73,457,697			

THE COMMONWEALTH OF THE BAHAMAS

CONTINGENT LIABILITIES									
AS AT									
JUNE 30 2009									
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 30/06/09	AMOUNT OUTSTANDING AS AT 30/06/09	SINKING FUND	REMARKS	
BAHAMAS TELCOMMUNICAT. COMPANY LIMITED									
FIRST CARIBBEAN BK.	01/04/03	01/01/07	27,000,000	27,000,000	21,937,500	5,062,500		DSL Loan	
FIRST CARIBBEAN BK.	01/04/05	01/04/08	22,000,000	22,000,000	8,715,378	13,284,022		GSN Loan	
CITIBANK/FCIB/SCOTIA	11/15/13	02/15/13	60,000,000	60,000,000	0	60,000,000		BDSN Loan	
TOTAL			109,000,000	109,000,000	30,653,478	78,346,522			

THE COMMONWEALTH OF THE BAHAMAS

CONTINGENT LIABILITIES									
AS AT JUNE 30 2009									
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 30/06/09	AMOUNT OUTSTANDING AS AT 30/06/09	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 2004									
BBC-\$40M AIRSIDE IMPRVMT. PROJECT			40,000,000	40,000,000	2,454,160	37,545,840		Resolution of the House of Assembly	
BBC US\$11M LOAN			11,000,000	11,000,000	1,000,000	10,000,000			
TOTAL			<u>51,000,000</u>	<u>51,000,000</u>	<u>3,454,160</u>	<u>47,545,840</u>			
THE BRIDGE AUTHORITY 1999									
BGRS		2014/2029	28,000,000	28,000,000	0	28,000,000			
TOTAL			<u>28,000,000</u>	<u>28,000,000</u>	<u>0</u>	<u>28,000,000</u>			

THE COMMONWEALTH OF THE BAHAMAS

CONTINGENT LIABILITIES AS AT JUNE 30 2009									
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 30/06/09	AMOUNT OUTSTANDING AS AT 30/06/09	SINKING FUND	REMARKS	
THE EDUCATION AUTHORITY									
Various Banks	2002		100,000,000	62,761,068	2,361,068	60,400,000		Resolution of the House of Assembly	
BOB EDUCATIONAL GUARANTEE FUND			7,626,570	7,626,570	0	7,626,570			
TOTAL			107,626,570	70,387,638	2,361,068	68,026,570			
THE HOTEL CORPORATION									
Overdraft Facility	1991		500,000	500,000	0	500,000		Resolution of the House of Assembly	
Grd water & environmental srvc.			5,249,000	5,249,000	2,734,848	2,514,152			
TOTAL			5,749,000	5,749,000	2,734,848	3,014,152			
THE MORTGAGE CORP.									
Serial Bonds			166,300,000	166,300,000	2,600,000	163,700,000			
TOTAL			166,300,000	166,300,000	2,600,000	163,700,000			

THE COMMONWEALTH OF THE BAHAMAS

CONTINGENT LIABILITIES									
AS AT JUNE 30 2009									
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 30/06/09	AMOUNT OUTSTANDING AS AT 30/06/09	SINKING FUND	REMARKS	
WATER & SEWERAGE CORPORATION									
INTERNATIONAL BANK FOR FAMILY ISLAND PORTABLE WATER	1999	2024	14,000,000	14,000,000	5,640,173	8,359,827		Resolution of the House of Assembly	
CARIBBEAN DEVELOPMENT BANK LOAN # 1	1976	1998	3,245,060	3,237,060	3,237,060	0		Resolution of the House of Assembly	
CARIBBEAN DEVELOPMENT BANK LOAN # 2	1987	2008	4,500,000	4,500,000	4,500,000	0		Resolution of the House of Assembly	
NATIONAL INSURANCE BOARD (LOAN #1)	1984	2004	4,296,000	4,296,000	337,161	3,958,839		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	ECUS 8,500,000	14,000,000	6,810,424	7,189,576		Resolution of the House of assembly	
BANK CARIBBEAN DEVELOPMENT BANK (LOAN #3)	1993	2015	7,500,000	7,500,000	4,875,000	2,625,000		Loan agreement dated 22nd March 1993	
IDB-1112/OC-BH LOAN F.I. POTABLE WATER PROJ.			14,000,000	7,599,865	0	7,599,865			
TOTAL			55,741,060	56,332,925	25,399,818	30,933,108			

ANNEX 12

Recent Accounts of Expenditure by Head



GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

RECURRENT ACCOUNTS 2008/2009

EXPENDITURE BY HEAD

PAGE NO.: 1

HEAD	MINISTRY/DEPARTMENT	APPROVED ESTIMATE & SUPP. APPROP. 2008/2009	ACTUAL EXPENDITURE 2008/2009	OVER THE ESTIMATE	UNDER THE ESTIMATE	SUPP. APPROP. AUTHORIZED
1	THE GOVERNOR GENERAL & STAFF	1,730,895.00	1,581,435.59	.00	149,459.41	.00
2	THE SENATE	267,840.00	233,454.42	.00	34,385.58	.00
3	THE HOUSE OF ASSEMBLY	2,594,256.00	2,262,412.76	.00	331,843.24	.00
4	THE DEPARTMENT OF THE AUDITOR-GENERAL	2,712,386.00	2,044,343.01	.00	668,042.99	.00
5	DEPARTMENT OF PUBLIC SERVICE	116,314,260.00	114,450,144.74	.00	1,864,115.26	9,522,035.00
6	CABINET OFFICE	7,231,860.00	6,792,247.38	.00	439,612.62	.00
7	OFFICE OF THE ATTORNEY-GENERAL AND MINIS	12,255,811.00	10,840,755.39	.00	1,415,055.61	.00
8	JUDICIAL DEPARTMENT	12,605,334.00	9,497,562.49	.00	3,107,771.51	905,000.00
9	COURT OF APPEAL	3,233,918.00	1,988,203.26	.00	1,245,714.74	.00
10	REGISTRAR-GENERAL'S DEPARTMENT	5,394,891.00	4,105,453.14	.00	1,289,437.86	.00
11	PRISON DEPARTMENT	22,426,468.00	21,590,857.73	.00	835,610.27	1,054,600.00
12	PARLIAMENTARY REGISTRATION DEPARTMENT	2,147,050.00	1,047,799.35	.00	1,099,250.65	.00
13	MINISTRY OF FOREIGN AFFAIRS	23,772,940.00	21,020,386.79	.00	2,752,553.21	.00
14	OFFICE OF THE PRIME MINISTER	6,688,660.00	5,094,994.84	.00	1,593,665.16	578,210.00-
16	BAHAMAS INFORMATION SERVICES	2,553,823.00	2,385,776.49	.00	168,046.51	.00
17	GOVERNMENT PRINTING DEPARTMENT	2,315,865.00	1,950,150.62	.00	365,714.38	.00
18	MINISTRY OF LAND & LOCAL GOVERNMENT	29,155,606.00	27,312,771.32	.00	1,842,834.68	8,954,660.00-
19	DEPARTMENT OF PHYSICAL PLANNING	1,262,150.00	609,219.70	.00	652,930.30	.00
20	DEPARTMENT OF LANDS AND SURVEYS	2,881,097.00	2,603,318.91	.00	277,778.09	.00
21	MINISTRY OF FINANCE	35,899,665.00	32,675,227.14	.00	3,224,437.86	5,320,000.00
22	TREASURY DEPARTMENT	11,616,562.00	10,010,758.67	.00	1,605,803.33	.00

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

RECURRENT ACCOUNTS 2008/2009

EXPENDITURE BY HEAD

PAGE NO.: 2

HEAD	MINISTRY/DEPARTMENT	APPROVED ESTIMATE & SUPP. APPROP. 2008/2009	ACTUAL EXPENDITURE 2008/2009	OVER THE ESTIMATE	UNDER THE ESTIMATE	SUPP. APPROP. AUTHORIZED
23	CUSTOMS DEPARTMENT	34,088,020.00	31,759,578.69	.00	2,328,441.31	.00
24	DEPARTMENT OF STATISTICS	5,353,328.00	4,130,466.69	.00	1,222,861.31	.00
25	MAGISTRATE'S COURTS	6,083,647.00	4,973,398.73	.00	1,110,248.27	.00
26	PUBLIC DEBT SERVICING - INTEREST	164,885,602.00	160,280,232.85	.00	4,605,369.15	.00
27	PUBLIC DEBT SERVICING - REDEMPTION	70,336,679.00	66,583,031.80	.00	3,753,647.20	.00
29	MINISTRY OF NATIONAL SECURITY	2,016,711.00	1,842,849.57	.00	173,861.43	.00
30	DEPARTMENT OF IMMIGRATION	18,695,006.00	17,954,666.90	.00	740,339.10	.00
31	ROYAL BAHAMAS POLICE FORCE	124,313,371.00	123,133,652.51	.00	1,179,718.49	2,381,500.00
32	ROYAL BAHAMAS DEFENCE FORCE	47,312,819.00	46,550,185.20	.00	762,633.80	1,500,000.00
33	MINISTRY OF PUBLIC WORKS & TRANSPORT	17,351,740.00	16,085,634.13	.00	1,266,105.87	8,954,660.00
34	DEPARTMENT OF PUBLIC WORKS	21,045,778.00	17,806,254.34	.00	3,239,523.66	.00
35	DEPARTMENT OF EDUCATION	206,087,979.00	191,113,572.90	.00	14,974,406.10	.00
36	BAHAMAS TECHNICAL & VOCATIONAL INSTITUTE	6,433,432.00	5,480,576.47	.00	952,855.53	317,456.00
37	DEPARTMENT OF ARCHIVES	3,148,143.00	2,111,007.89	.00	1,037,135.11	.00
38	MINISTRY OF EDUCATION	44,878,757.00	39,377,940.96	.00	5,500,856.04	.00
39	COLLEGE OF THE BAHAMAS	27,365,690.00	27,365,690.00	.00	.00	.00
41	THE SIMPSON PENN CENTRE FOR BOYS	1,264,453.00	962,123.33	.00	302,329.67	.00
42	THE WILLAMAE PRATT CENTRE FOR GIRLS	1,196,737.00	886,245.58	.00	310,491.42	.00
44	DEPARTMENT OF SOCIAL SERVICES	39,167,977.00	39,154,961.71	.00	13,015.29	.00
45	DEPARTMENT OF HOUSING	1,727,524.00	1,161,800.49	.00	565,723.51	.00
46	MINISTRY OF HOUSING AND NATIONAL INSURAN	4,888,040.00	2,760,900.61	.00	2,127,139.39	1,500,000.00-

ANNEX 12

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 2008/2009

EXPENDITURE BY HEAD

PAGE NO.: 3

HEAD	MINISTRY/DEPARTMENT	APPROVED ESTIMATE & SUPP. APPROP. 2008/2009	ACTUAL EXPENDITURE 2008/2009	OVER THE ESTIMATE	UNDER THE ESTIMATE	SUPP. APPROP. AUTHORIZED
47	MINISTRY OF YOUTH, SPORTS & CULTURE	18,304,306.00	17,048,720.80	.00	1,255,585.20	326,500.00
48	DEPARTMENT OF LABOUR	2,660,732.00	2,634,451.86	.00	26,280.14	.00
51	POST OFFICE DEPARTMENT	9,694,758.00	9,168,058.86	.00	526,699.14	345,000.00
52	Department Of Civil Aviation	11,872,488.00	11,706,581.28	.00	165,906.72	100,000.00
53	PORT DEPARTMENT	7,180,784.00	6,428,171.63	.00	752,612.37	.00
54	DEPARTMENT OF ROAD TRAFFIC	7,091,275.00	5,572,706.27	.00	1,518,568.73	.00
55	Department Of Meteorology	3,475,893.00	2,860,699.41	.00	615,193.59	.00
56	MINISTRY OF AGRICULTURE & MARINE RESOURC	4,431,419.00	4,019,302.75	.00	412,116.25	.00
57	Department Of Agriculture	8,310,751.00	7,192,126.94	.00	1,118,624.06	.00
58	DEPARTMENT OF MARINE RESOURCES	2,525,333.00	2,098,581.37	.00	426,751.63	.00
60	MINISTRY OF HEALTH	18,812,854.76	15,369,226.76	.00	3,443,628.00	389,824.24-
63	THE PUBLIC HOSPITALS AUTHORITY	177,579,970.00	177,571,846.27	.00	8,123.73	3,439,800.00
65	DEPARTMENT ENVIRONMENTAL HEALTH SERVICES	40,182,686.00	40,064,515.52	.00	118,170.48	3,826,424.00
66	DEPARTMENT OF PUBLIC HEALTH	29,983,366.00	27,805,026.00	.00	2,178,340.00	400,000.00
67	MINISTRY OF TOURISM & AVIATION	96,894,183.00	84,784,351.12	.00	12,109,831.88	5,400,000.00
68	THE GAMING BOARD	7,135,653.00	6,859,853.02	.00	275,799.98	.00
69	AIRPORT AUTHORITY	1,000,000.00	500,000.00	.00	500,000.00	.00
70	MINISTRY OF LABOUR, SOCIAL & COMMUNITY D	3,558,781.24	3,502,856.76	.00	51,924.48	1,889,824.24
72	MINISTRY OF THE ENVIRONMENT	578,210.00	522,410.52	.00	55,799.48	578,210.00
TOTAL RECURRENT EXPENDITURE.....:		1,603,972,253.00	1,507,281,532.23	.00	96,690,720.77	34,838,315.00
NET DECREASE UNDER THE ESTIMATE						96,690,720.77

ANNEX 13

Capital Accounts

GOVERNMENT OF THE COMMONWEALTH OF THE BAHAMAS

CAPITAL ACCOUNTS 2008/2009

SUMMARY BY HEAD

PAGE NO.: 1

HEAD	PROJECT	APPROVED ESTIMATES & SUPP. APPROP. 2008/2009	RELEASE AUTHORIZED	ACTUAL EXPENDITURE 2008/2009	OVER THE ESTIMATES	UNDER THE ESTIMATES	SUPP. APPROP. AUTHORIZED
11	PRISON DEPARTMENT	1,610,000.00	1,610,000.00	1,502,668.88	.00	107,331.12	.00
13	MINISTRY OF FOREIGN AFFAIRS	3,600,000.00	3,350,000.00	3,299,981.96	.00	300,018.04	.00
18	MINISTRY OF LANDS & LOCAL GOVERNMENT	3,788,656.00	2,099,859.71	1,982,524.36	.00	1,806,131.64	.00
21	SUNDRY CAPITAL EXPENDITURE	144,000,000.00	78,119,000.00	142,009,006.00	.00	1,990,994.00	64,000,000.00
23	CUSTOMS DEPARTMENT	1,581,127.00	908,563.50	395,530.52	.00	1,185,596.48	.00
31	ROYAL BAHAMAS POLICE FORCE	5,901,219.00	4,962,208.00	5,678,120.43	.00	223,098.57	939,011.00
32	ROYAL BAHAMAS DEFENCE FORCE	3,072,000.00	3,072,000.00	2,548,647.83	.00	523,352.17	.00
33	MINISTRY OF PUBLIC WORKS & TRANSPORT	87,203,685.00	87,203,685.00	59,854,050.01	.00	27,349,634.99	.00
38	MINISTRY OF EDUCATION	31,390,999.00	31,390,999.00	26,616,420.09	.00	4,774,578.91	.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	3,040,633.00	2,385,000.00	2,852,546.47	.00	188,086.53	655,633.00
47	DEPARTMENT OF YOUTH, SPORTS & CULTURE	6,550,000.00	3,615,000.00	2,568,835.06	.00	3,981,164.94	.00
52	DEPARTMENT OF CIVIL AVIATION	4,620,100.00	2,620,000.00	1,879,262.14	.00	2,740,837.86	.00
53	PORT DEPARTMENT	900,020.00	700,020.00	396,689.32	.00	503,330.68	.00
56	MIN. OF AGRICULTURE AND MARINE RESOURCES	4,242,100.00	4,292,100.00	2,842,832.42	.00	1,399,267.58	100,000.00-
60	MINISTRY OF HEALTH	3,600,000.00	3,675,000.00	1,732,869.76	.00	1,867,130.24	300,000.00-
63	PUBLIC HOSPITAL AUTHORITY	2,000,000.00	2,000,000.00	500,000.00	.00	1,500,000.00	.00
65	DEPT. OF ENVIRONMENTAL HEALTH SERVICES	6,351,178.00	6,351,178.00	4,149,324.15	.00	2,201,853.85	.00
TOTAL		315,431,717.00	240,354,613.21	262,809,309.40	.00	52,622,407.60	65,194,644.00

