

STATES OF JERSEY



DRAFT PUBLIC FINANCES (JERSEY) LAW 201- (P.28/2019): SECOND AMENDMENT (P.28/2019 Amd.(2)) – AMENDMENT

**Lodged au Greffe on 29th May 2019
by the Minister for Treasury and Resources**

STATES GREFFE

PAGE 3, AMENDMENT 3 –

- (a) Delete amendments 3(a) and (b).
- (b) In amendment 3(c), delete “(c)”.
- (c) For Article 32(4) and (5) as added by amendment 3, substitute –
 - “(4) As part of establishing the system of internal auditing referred to in paragraph (2)(c), the Treasurer must, with the agreement of the Minister, designate a person who is employed in the States body or area of operation referred to in paragraph (3) as the chief internal auditor.
 - (5) The chief internal auditor must, in accordance with the Public Finances Manual, carry out internal audits of States bodies, States funds and trust assets for the purpose of assisting the Minister and Treasurer in the performance of their functions under this Law.”
- (d) In Article 32(6) as added by amendment 3, for “time and frequency of an internal audit” substitute –
 - “scope, times and frequency of internal audits”.
- (e) In Article 32(7) as added by amendment 3, after “at any time” insert –
 - “and may determine the scope of any such audit”.

MINISTER FOR TREASURY AND RESOURCES

REPORT

This amendment proposes that Article 32(2)(c) of the draft Law is retained, and places a requirement on the Treasurer to ensure that there is a system of internal audit sufficient to ensure the proper stewardship and administration of the public finances of Jersey.

The remainder of the amendments flow from the above paragraph, whilst also requiring the Treasurer, with the agreement of the Minister for Treasury and Resources, to designate a person from the Treasury as chief internal auditor. The amendment makes it clear as to the purpose of the internal audit function, rather than the unachievable aim set in the existing legislation.

Further amendments clarify that the remit of the chief internal auditor extends to States' funds and trust assets, as well as States bodies.

The amendment also proposes that the chief internal auditor has to agree the scope of internal audits with the Treasurer, in addition to the timing and frequency of audits.

Financial and manpower implications

There are no additional financial or manpower implications for the States arising from the adoption of this amendment to the second amendment.