

*Public Finances (Management)*

**PART VI. - BORROWING, GUARANTEES AND LOANS BY THE STATE.**

**35. RESTRICTIONS ON BORROWING.**

(1) The State may not borrow money except under and in accordance with an Act of the Parliament.

(2) Moneys borrowed under Subsection (1) from whatever sources shall not exceed the limit provided for by the *Central Banking Act* (Chapter 138).

(3) All debt charges for which the State is liable in respect of loan moneys shall be charged on the Consolidated Revenue Fund.

**36. ADVANCES AND OVERDRAFTS.**

(1) The Minister may, for and on behalf of the State, borrow moneys -  
(a) from such domestic and external sources; and  
(b) on such terms and conditions,  
as the Head of State, acting on advice, approves, in order to meet temporary deficiencies in revenue in a fiscal year.

(2) Moneys borrowed under Subsection (1) from whatever sources shall not exceed the limit provided for by the *Central Banking Act* (Chapter 138).

(3) The principal and interest on moneys borrowed under Subsection (1) shall be charged to the Consolidated Revenue Fund and are payable from the Fund.

**37. GUARANTEES BY THE STATE.**

(1) The Minister may, for and on behalf of the State, guarantee the repayment of a loan (including interest and associated charges) made to any person, where the loan was made for purposes approved by the Head of State, acting on advice.

(2) The Minister may, on behalf of the State, charge such fee in respect of a guarantee made under Subsection (1) as he considers appropriate in relation to that guarantee.

(3) Where the Minister has guaranteed the repayment of a loan under Subsection (1), he shall, at the first sitting of the Parliament following the giving of the guarantee, table the documents relating to the guarantee.

**38. LOANS BY THE STATE.**

(1) The Minister may, for and on behalf of the State, make a loan to any person, where that loan is made for purposes approved by the Head of State, acting on advice.

(2) The Minister may, on behalf of the State, charge such fee in respect of a loan made under Subsection (1) as he considers appropriate in relation to that loan.