



ST HELENA

REVISED EDITION OF THE LAWS, 2017

PUBLIC FINANCE & REVENUE

CURRENCY ORDINANCE, 1975¹

Ordinance 7 of 1975

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Subsidiary legislation:

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CURRENCY ORDINANCE, 1975

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AN ORDINANCE to make provision in relation to the currency of St Helena and to provide for incidental and connected matters.

**PART I
PRELIMINARY**

Short title

1. This Ordinance may be cited as the Currency Ordinance, 1975.

Interpretation

2. In this Ordinance unless the context otherwise requires—
 - “**Commissioners**” means the Commissioners of Currency appointed under section 5;
 - “**Crown Agents**” means the Crown Agents for Oversea Governments and Administrations;
 - “**demand liabilities of the Fund**” means notes and coins (other than any notes and coins that have ceased to be legal tender and have been written off under section 10(2)) together with amounts standing to the credit of any accounts opened in accordance with section 14(a);
 - “**financial year**” means the 12-month period from and including 1st April in any year up to and including 31st March in the following year;
 - “**Fund**” means the Currency Fund established by section 13;
 - “**notes and coins**” mean, respectively, currency notes issued and coins issued or deemed to have been issued under this Ordinance;
 - “**prescribed**” means prescribed by regulations made under section 23.

**PART II
ST HELENA CURRENCY**

Unit of currency

3. The unit of currency of St Helena is the St Helena pound, to be divided into 100 pence.

Parity

4. The St Helena pound is to have parity with the pound sterling.

Commissioners of currency

5. (1) There are to be not less than 3 and not more than 4 Commissioners of Currency, who are to discharge the duties of those public offices in St Helena that the Governor with the approval of the Secretary of State from time to time appoints.

(2) Any duty devolving, and any power conferred, on the Commissioners may be discharged or exercised by any 2 of them acting together.

(3) The Commissioners must meet as often as they consider necessary for the performance of their functions but a period greater than 6 months must not elapse between meetings.

Issue of currency

6. (1) The Commissioners, on behalf of the Government of St Helena, have the sole right to issue notes and coins in St Helena and no other person may in St Helena issue notes or coins or any documents or tokens payable to bearer on demand, being documents or tokens which are likely to pass as legal tender.

(2) The Commissioners must—

- (a) arrange for the printing of notes of denominations and of a form and design and printed from plates and on paper and authenticated in a manner from time to time specified by Proclamation made by the Governor with the approval of the Secretary of State;
- (b) issue, reissue, withdraw and, at their discretion, exchange notes at Jamestown and at offices and agencies elsewhere in St Helena that the Commissioners establish;
- (c) arrange for the security of such notes and all matters relating to such security.

(3) The Commissioners must—

- (a) arrange for the minting of coins of denominations and of a weight, form and design and made of metal or metals from time to time specified by Proclamation made by the Governor with the approval of the Secretary of State;
- (b) issue, reissue, withdraw and at their discretion, exchange coins at Jamestown and at offices and agencies elsewhere in St Helena that the Commissioners establish;
- (c) arrange for the security of such coins and all matters relating to such security.

Certain earlier coinage deemed lawful

7. Coin issued under the Currency (Commemorative Coinage) Ordinance, 1973, is in all respects deemed to have been lawfully issued under, and to comply with all the requirements of, this Ordinance.

Contracts, etc. to be in currency

8. (1) Every contract, sale, payment, bill, note, instrument and security for money and every transaction, dealing, matter and thing whatsoever relating to money or involving the payment of or the liability to pay any money which, but for this section would have been deemed to be made, executed, entered into, done and had, in and in relation to the currency of the United Kingdom, is in St Helena deemed instead to be made, executed, entered into, done and had, in and in relation to an equivalent amount of currency issued by the Commissioners; but this subsection does not affect any obligation to pay any money in any country other than St Helena.

(2) In any law in force in St Helena at the time of the coming into force of this section, and in any subsidiary legislation made under any such law -

- (a)* any reference to currency of the United Kingdom is to be construed as a reference to currency issued by the Commissioners; and
- (b)* any reference to a sum expressed in the currency of the United Kingdom is to be construed as a reference to the equivalent sum expressed in currency issued by the Commissioners.

Legal tender

9. (1) Subject to subsection (2), the following respective notes and coins are legal tender—

- (a)* in the case of notes - for the payment of any amount;
- (b)* in the case of coins of cupro-nickel or silver of a denomination of more than 10 pence - for the payment of an amount not exceeding £10;
- (c)* in the case of coins of cupro-nickel or silver of denomination of 10 pence or less - for the payment of an amount not exceeding £5;
- (d)* in the case of bronze coins - for payment of any amount not exceeding 20p.

(2) A note or coin that has been illegally dealt with is not legal tender.

(3) For the purposes of this Ordinance, a note or a coin is deemed to have been illegally dealt with if it has been impaired, diminished or lightened otherwise than by fair wear or tear, or has been defaced by having any name, word, device or number stamped or engraved on it, whether or not it has been thereby diminished or lightened.

Calling in of notes and coins

10. (1) With the approval of the Secretary of State, the Governor may, by notice in the *Gazette*, declare that any notes or coins, with effect from a date or dates specified in the notice, cease to be legal tender in St Helena and provide for any matters incidental to the calling in of such notes or coins.

(1A) The holders of any notes or coins the subject of a declaration under subsection (1) may at any time claim payment of the value of them from the Commissioners or, if a transfer in respect of such notes or coins has been made to the Consolidated Fund of St Helena under subsection (2), from the Consolidated Fund.

(2) When any notes or coins cease to be legal tender under subsection (1), an amount equivalent to the face value of any such notes or coins remaining in circulation 5 years after they have so ceased to be legal tender must be transferred from the Fund to the Consolidated Fund of St Helena and that amount must be written off the liabilities of the Fund.

(3) If coins are presented for payment under subsection (1A) more than 5 years after they have ceased to be legal tender, the Commissioners may levy a handling charge of an amount they determine.

Certain notes and coins not redeemable

11. No person is entitled to recover from the Commissioners the value of any lost, stolen, mutilated, imperfect note or coin, or of any note or coin which has been illegally dealt with, and the circumstances and conditions under which such value may be refunded as an act of grace are within the absolute discretion of the Commissioners.

Conversation of St Helena pounds into sterling and vice versa

12. (1) The Commissioners must on demand buy or sell sterling for immediate delivery in London against St Helena pounds at the parity specified ~~under the provision of~~ in section 4.

- (2) Subsection (1) is subject to the provisos that the Commissioners—
- (a) are not required to buy or sell sterling of an amount less than any minimum sum that is from time to time prescribed;
 - (b) may charge and levy, from any person desiring to buy or sell sterling, a commission at a rate or rates from time to time prescribed, not exceeding 2¼% or any greater or lesser margins permitted by international monetary agreements binding on St Helena, together with the cost of any disbursements incurred by the Commissioners or their agents or correspondents in connection with such transactions;
 - (c) the Commissioners may at their discretion charge and levy from the Bank of St Helena and the Treasury commission at a rate less than that charged to the general public.

PART III CURRENCY FUND

Currency Fund

13. (1) This section establishes a fund to be called the “Currency Fund” into which must be paid, and upon which are to be charged, all amounts respectively due to and payable by the Commissioners or the Fund under this Ordinance.

(2) A proportion of the assets of the Fund, being not less than the proportion that the Commissioners, with the approval of the Governor acting in his or her discretion, from time to time determines and not being less than 10% of the demand liabilities of the Fund, must be in liquid form, that is to say—

- (a) held in United Kingdom notes and coin or in the form of balances on current account or at short notice with such banks in London as are from time to time

- approved by the Commissioners for the purposes of this subsection or with the Crown Agents, or held in the form of United Kingdom Treasury Bills; or
- (b) lent out at call or for short term in such manner as is, or invested in such readily realisable securities as are, from time to time approved by the Secretary of State; or
 - (c) partly as is provided in paragraph (a) and partly as in paragraph (b).

(3) Subject to subsection (3A), the remainder of the assets of the Fund must be invested in securities issued or guaranteed by the Government of the United Kingdom and maturing within 10 years.

(3A) A proportionate amount of the assets of the Fund not exceeding 30% or such other percentage as the Governor with the approval of the Secretary of State from time to time specifies, may be invested in such securities of or guaranteed by the Government of St Helena as the Commissioners select, so however that securities issued under section 20(1) may be excluded from the calculation of the aforesaid percentage.

(4) For the purposes of calculation of the value of the Fund in all matters pertaining to this Ordinance, the value of the silver, gold and platinum bullion content of coins issued or deemed to be issued under this Ordinance and remaining in circulation is to be calculated by reference to the latest known London Market price for silver, gold and platinum bullion, but the value so calculated must not exceed the face value of the said coins.

Commissioners' power in relation to Currency Fund

14. The Commissioners on behalf of the Fund may—
- (a) open accounts for and accept deposits payable on demand from the Bank of St Helena and the Treasury;
 - (b) open and maintain accounts with such banks or other depositaries, and appoint such correspondents or agents, outside St Helena as are necessary for the effective operation and management of the Fund;
 - (c) buy and sell Treasury Bills and other securities of the Government of the United Kingdom;
 - (d) buy and sell, within the limits and subject to the conditions imposed by section 13(3), securities of or guaranteed by the Government of St Helena.

Restrictions on power of Commissioners

15. The Commissioners may not—
- (a) grant advances of any kind;
 - (b) open accounts for, or accept deposits from, any person except as provided in section 14(a);
 - (c) buy or sell any currency other than the St Helena pound or sterling, or invest in securities, or open or maintain accounts denominated in any currency other than St Helena pounds or sterling.

General Reserve of the Currency Fund

16.² (1) There is to be a General Reserve of the Fund (hereinafter referred to as the “General Reserve”) to which must be allocated any amounts that become available by virtue of section 17.

(2) If at the end of the financial year, the calculation in accordance with section 18 results in a deficit, the deficit of the Fund must be met from the General Reserve.

(3) If at the end of any financial year the General Reserve exceeds 10% of the liabilities of the Fund, the Commissioners, with the approval of the Governor acting in his or her discretion, may direct that the amount in excess of that 10% is to be transferred in whole or in part to the General Revenue of St Helena.

Distribution of surplus of Fund

17.³ The surplus of the Fund for each financial year is to be calculated in accordance with section 18 and must be distributed as follows—

- (a)* so long as the General Reserve amounts to less than 10% of the demand liabilities of the Fund at the end of the financial year in which such surplus was earned, there is to be allocated to the General Reserve, to the extent that such surplus is sufficient for the purpose, an amount equivalent to 2% of those liabilities or such lesser amount as will make the General Reserve equivalent to 10% of those liabilities;
- (b)* after appropriate allocations have been made to the General Reserve in accordance with paragraph *(a)*, the surplus must be next applied to the redemption on behalf of the Government of any securities held by the Fund which have been issued in accordance with section 20(1);
- (c)* any remaining surplus must be transferred to the General Reserve.
- (d)* ...

Determination of surplus or deficit of Fund

18.⁴ (1) The surplus or deficit of the Fund for any financial year is to be determined by calculating the amount of all dividends, interest or other revenue derived from investments of the Fund or from the employment in any manner of the moneys of the Fund and all commissions paid to the Commissioners in accordance with section 12, and deducting from that amount all expenses incurred by the Commissioners and their agents for the purposes of this Ordinance together with such provision for contingencies as the Commissioners, with the approval of the Governor acting in his or her discretion, decide

(2) Notwithstanding subsection (1), the Governor, with the approval of the Secretary of State, may direct that any expenditure of an exceptional nature is to be a charge upon the General Reserve and excluded from the calculation of the surplus of the Fund.

Valuation of Fund Securities

² Section 16 amended by Ord. 7 of 2019

³ Section 17 amended by Ord. 7 of 2019

⁴ Section 18 amended by Ord. 7 of 2019

19. (1) The value of securities held in the name of or on behalf of the Fund is, for the purposes of this Ordinance, to be calculated by reference to the latest known market price of such securities; but if no such price is available the value of the securities concerned is to be calculated in a manner that, with the concurrence of the Chief Auditor, seems reasonable to the Commissioners.

(2) Except to the extent that any provision is made for the depreciation of investments in determining the surplus of the Fund in accordance with section 18, any alteration during the period of 6 months ending 30th September or 31st March of any year in the value of the securities held in the name or on behalf of the Fund, together with any capital profit or loss resulting from the sale or maturity of such securities during such period, represents as the case may be an accrual to or a charge upon the General Reserve and is not deemed to be a surplus or a deficit for the purposes of a calculation of the surplus of the Fund in accordance with section 18.

Government to balance the Fund

20. (1) If at any time the total assets of the Fund are less than the total liabilities of the Fund, notwithstanding any other provisions of this Ordinance, the Governor must cause to be transferred to the Fund non-negotiable non-interest bearing securities issued by the Government to the extent of the deficiency.

(2) Securities issued under subsection (1) may be held in addition to any securities held under the proviso to section 13(3).

PART IV MISCELLANEOUS PROVISIONS

Provisions relating to legal tender status of existing currency

21. (1) Subject to subsection (2)—

- (a)* Bank of England notes remain legal tender in St Helena at their face value for the payment of any amount;
- (b)* coins of the United Kingdom which are legal tender in United Kingdom are legal tender in St Helena at their face value, subject to section 9 (1)(*b*), (*c*) or (*d*), as the case may be.

(2) The Governor, with the approval of the Secretary of State, may by notice or notices in the *Gazette* declare a date or dates upon which any Bank of England notes or coins of the United Kingdom are to cease to be legal tender in St Helena.

Annual statement of state of Fund

22. (1) The Commissioners must within 12 months after the end of each financial year submit to the Governor and the Secretary of State -

- (a)* a statement and report of their transactions during the said year, including a balance sheet as at the last day of the financial year;
- (b)* an income and expenditure account; and
- (c)* the Chief Auditor's certificate.

(2) *Repealed*

(3) The annual accounts of the Commissioners must be audited by the Chief Auditor and the audited accounts must be laid before the Legislative Council at its next meeting.

Regulations

23. The Governor may, with the approval of the Secretary of State, make regulations—
- (a) prescribing anything which by this Ordinance is to be prescribed;
 - (b) generally for the better carrying into effect of the provisions of this Ordinance.

CURRENCY ORDINANCE, 1975

CURRENCY REGULATIONS, 1976

(Section 23)

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Citation

1. These regulations may be cited as the Currency Regulations, 1976.

Interpretation

2. In these Regulations unless the context otherwise requires—
“**Chair**” means the Commissioner elected by the meeting to preside at a meeting of the Commissioners;
“**section**” means a section of the Ordinance.

Restriction on persons present at meetings of Commissioners

3. No persons other than the Commissioners and invitees of the Chair may attend the meetings required by section 5(3) of the Ordinance to be held at intervals of not more than 6 months.

Quorum for meetings

4. At such meetings, 2 Commissioners constitute a quorum for the conduct of the business of the meeting

Minutes of meetings and matters to be recorded

5. (1) The Commissioners must cause minutes of their meetings to be recorded in a minute book kept exclusively for that purpose and copies of such minutes must be circulated to each Commissioner before the next ensuing meeting of Commissioners. The minutes must be signed by the Chair after they have been confirmed by the members present at the meeting to which they relate.

- (2) The minutes must include a record of—
- (a) all appointments of members;
 - (b) the names and capacities of all persons present at each meeting;
 - (c) all appointments and changes in the Commissioners' staff of officers; and
 - (d) the proceedings of and resolutions passed at each meeting.

Disclosure of interest by Commissioners

6. If a Commissioner, or any person connected with a Commissioner, has any direct or indirect interest in any matter with which the Commissioners are concerned, the Commissioner must –

- (a) at the first available opportunity, make a full disclosure of the interest to the Chair, and refrain from voting upon the matter; and
- (b) if the Chair so requires, withdraw from every meeting at which the Commissioners discuss such matter.

Appointment of officers or agents

7. The Commissioners may appoint officers or agents on a permanent or part-time basis for the performance of their functions and duties upon terms and conditions agreed in each case; and may discharge such officers or agents.

Commissioners to make rules for security

8. The Commissioners must make rules for—
- (a) the guidance, control and discipline of officers and agents in the performance of their functions and duties;
 - (b) the safe-keeping of unissued or redeemed stocks of currency;
 - (ba) the preparation, safe custody and destruction of plates and paper for the printing of notes and dies for the minting of coins;
 - (c) the protection of notes and coin in transit; and
 - (d) the observation of security arrangements by the Commissioners and their officers.

Safe custody of plates, dies, etc.

9. The Commissioners must satisfy themselves that adequate arrangements have been

made for the safe custody of all plates and dies used for the production of currency notes and coin as well as for the inks, paper and metals procured and held for the production of currency notes and coin.

Special provision for destruction of currency notes, etc. and recording of them

- 10.** The Commissioners must make detailed provision for—
- (a) the destruction of currency notes and of coin withdrawn from circulation;
 - (b) the recording in proper books of account of the issue and redemption of currency notes and coin and of stocks of currency notes and coin, including the reductions in total stocks caused by the destruction of currency notes and coin as required by paragraph (a).

Specific items to be included in statement of assets and liabilities

11. In the statement of assets and liabilities submitted by virtue of section 22(1), there must be shown, *inter alia*—

- (a) as separate items, the amount of the currency notes and coin in circulation on the last day of the period to which the statement relates;
- (b) the total value of the Fund on the last day of the period to which the statement relates;
- (c) the original cost price of the securities forming the investment portion of the Fund; and
- (d) the market price as on the last day of the period to which the statement relates of the securities comprised in paragraph (c).

Conversion of St Helena pounds into sterling and vice versa

- 12.** In compliance with section 12 of the Ordinance, the Commissioners—
- (a) are not required to buy or sell sterling of an amount less than £10,000;
 - (b) are entitled to charge and levy from any person desiring to buy or sell sterling a commission of—
 - (i) 0.5% in the case of the Bank of St Helena or the Treasury; and
 - (ii) 1% in the case of any other person or body,

together with the cost of any disbursements incurred by the Commissioners or their agents or correspondents in connection with such transaction.
