

STATUTORY INSTRUMENT

Supplement to the Sierra Leone Gazette Vol. CXXXVIII, No. 28

dated 7th June, 2007

THE FINANCIAL MANAGEMENT REGULATIONS, 2007 ARRANGEMENT OF REGULATIONS

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STATUTORY INSTRUMENT No. 9 OF 2007

Published 7th June, 2007

**THE GOVERNMENT BUDGETING AND
ACCOUNTABILITY ACT, 2005**
(Act No. 3 of 2005)

THE FINANCIAL MANAGEMENT REGULATIONS, 2007.

Short title.

In exercise of the powers conferred upon him by section 82 of the Government Budgeting and Accountability Act, 2005, the Minister of Finance hereby makes the following Regulations.

PART I-APPLICATION

1. These Regulations shall apply to Government Ministries, Application Departments, Agencies and bodies corporate in which the Government is either the sole shareholder or majority shareholder.

PART II-RESPONSIBILITIES OF OFFICERS

2. In the performance of his functions under the Government Duties of Budgeting and Accountability Act, 2005 (hereafter referred to as "the vote controllers Act No. 3 of 2005."

- (a) check all cash in his charge and verify the amounts with the balances in the cash books;
- (b) bring promptly to account as revenue any cash found in his charge in excess of the balances in the cash book;

- (c) promptly make good any deficiency in cash for which he is responsible;
- (d) ensure that all books of account under his control are correctly posted and kept up-to-date;
- (e) report to the Financial Secretary any apparent defect in the procedure for revenue collection or any apparent waste or extravagance in expenditure which comes to his notice in the course of his accounting duties;
- (f) produce, when required by the Accountant-General, Head of the Internal Audit Unit of the Ministry or Auditor-General or by such officers as may be authorised by any of the above, all cash, books, records, vouchers or other items of value in his charge;
- (g) put in place such arrangements as may be considered to be in the public interest when transacting business with them;
- (h) advise his Minister concerning the requirements of the Act or any other enactment relating to financial propriety;
- (i) maintain efficient systems of financial management and control;
- (j) ensure that value for money is obtained on use of public funds;
- (k) ensure effective internal audit and the operation of an audit committee;
- (l) operate open, competitive and transparent procurement;

- (m) ensure sound evaluation of projects;
 - (n) promptly settle contractual obligations;
 - (o) manage departmental assets in accordance with these Regulations;
 - (p) collect departmental revenues efficiently;
 - (q) report promptly to his Minister or other appropriate authority or both, instances of fraud and corruption;
 - (r) initiate the disciplining of staff who contravene the law;
 - (s) submit timely financial reports;
 - (t) cooperate with the Accountant-General's staff in compiling annual accounts on time;
 - (u) promptly answer all audit queries;
 - (v) chair the budget committee and procurement committee of his ministry, department or agency; and
 - (w) maintain records to show achievement of budgeted activities and projects.
3. (1) Where a vote controller delegates his powers or duties to a public officer under his control, he shall do so in writing and shall set out clearly and unequivocally the limits of such delegation. Limits of delegated powers.
- (2) Any public officer who makes or allows or directs the disbursement of public moneys or issue of securities, stores or other public property without the requisite delegation shall be personally responsible for the amount or value involved; and any public officer whose duties require him to render accounts shall be responsible for any inaccuracies in those accounts.

Accountant-General to maintain audit register.

4. (1) The Accountant-General shall maintain or cause to be maintained by each vote controller a register of all audit queries and audit inspection reports.

(2) The register shall contain-

- (a) the reference and date of the audit query or report; and
 - (b) the date on which the audit query or report was answered or otherwise dealt with.
- (3) The vote controller concerned shall examine and initial the register at the end of every month.

Use of green ink.

5. No public officer except the Minister or the Auditor-General or an officer or employee of the Audit Service or person appointed by the Auditor-General shall, in relation to the audit of public accounts use green ink, pencil or crayon.

Accounting officers in budgetary agencies.

6. (1) Unless directed otherwise by the Accountant-General, each budgetary agency shall have an accounting officer (hereafter called the chief financial officer) serving on the senior management team.

(2) The Accountant-General is responsible for determining the level of qualification, skills, knowledge and experience required by a chief financial officer in a budgetary agency.

(3) The chief financial officer is directly accountable to the vote controller.

(4) Without limiting the right of the vote controller to assign specific responsibilities, the general responsibility of the chief financial officer is to assist the vote controller in discharging the duties prescribed in regulation 1 which relate to the effective financial management of the budgetary agency including the exercise of sound budgeting and budgetary control practices, the operation of internal controls and the timely production of financial reports and include-

- (a) supervising and coordinating the preparation of draft annual estimates in accordance with a strategic plan and submitting them to the Budget Committee at the required dates;
- (b) ensuring that the authorised estimates of expenditure on votes under his control are not exceeded;
- (c) keeping watch on the expenditure of votes controlled by other officers and warn them if there is a danger of those votes being exceeded;
- (d) informing the Budget Committee regularly of the expenditure incurred or likely to be incurred under each vote;
- (e) preparing supplementary estimates for submission to the Budget Committee where necessary;
- (f) ensuring that no expenditure is incurred before it has been authorised;
- (g) establishing a proper system of accounting in accordance with these Regulations;
- (h) supervising the prompt collection of all revenue due to the budgetary agency and bringing promptly to account, under the proper heads, programmes and items, all revenue or other receipts paid into the budgetary agency's bank account or accounted for to him;
- (i) supervising all officers entrusted with the receipt and expenditure of the budgetary agency's funds and taking precautions, by

the maintenance of frequent checks, including surprise audits, against the occurrence of fraud, embezzlement or carelessness;

- (j) supervising the expenditure and other disbursements of the budgetary agency and ensuring that no payment is made without proper authority; and in case of any apparent extravagance calling this to the attention of the officer concerned and his superiors;
- (k) charging under the proper heads, programmes and items all disbursements of the budgetary agency;
- (l) preparing the annual accounts of the budgetary agency for audit and preparing financial statements and returns as required by the Act and these Regulations;
- (m) making provision for the secure custody of all receipt books, tickets, licences and other accountable documents in the manner provided for in these Regulations;
- (n) after consultation with the vote controller, monitoring the budgetary agency's procedures for the procurement of goods, services and works in accordance with the Public Procurement Act, 2004 and regulations made under it;
- (o) ensuring that proper provision is made for the safe-keeping of the budgetary agency's moneys, securities, valuable documents and account books in accordance with these Regulations;

Act No. 14
of 2004.

- (p) supervising the operation, maintenance and protection of the budgetary agency's accounting and data processing equipment including the provision of dust and damp-free accommodation and standby facilities in the event of breakdown or power failure;
- (q) responsibility for the proper organisation of his office, for a fair allocation of duties among his staff and for their training;
- (r) ensuring that all officers with duties of a financial nature are conversant with and comply with these Regulations and any other financial directives;
- (s) instituting disciplinary or other action as he thinks necessary against officers contravening these Regulations and any other financial directives;
- (t) where necessary, taking action to secure the recovery of losses, or their write-off in accordance with the Act and these Regulations; and
- (u) implementing the policies and directives of the budgetary agency as communicated to him by the vote controller; but that if he considers that any directive is not in accordance with the Act and regulations governing financial matters, he shall prepare a written statement of objection to the Auditor-General and copy it to the vote controller and the Minister of the budgetary agency.

PART III - ESTIMATES OF REVENUE AND EXPENDITURE

Budget call circular.

7. (1) The Financial Secretary shall, not later than six months before the start of each financial year, issue a circular called the "budget call circular" to all vote controllers.
- (2) The budget call circular shall require every vote controller to submit within a specified time and in a prescribed manner a medium-term budget framework for his budget entity, including-
- (a) a medium-term strategy and target outcomes in line with national and sectoral strategies, and key performance indicators for assessing the achievement of the outcomes;
 - (b) detailed work plans for the implementation of the strategy and the anticipated revenue and recurrent and capital expenditure for the following three years within the financial ceilings prescribed by the Minister;
 - (c) a procurement plan showing details of the estimated amount of continuing contracts and each contract to be entered into in the following year, item to be purchased, estimated timing and amount of payments, and the modality of each contract; and
 - (d) revised estimates of revenue and expenditure for the current year.
- (3) A vote controller shall, in preparing draft estimates of revenue and expenditure, set up and chair a budget committee in his budget entity to ensure that the estimates are realistic and accurate in all respects and are prepared with the involvement of the relevant programme officers, civil society organisations and District Budget Oversight Committees, and in accordance with any other instructions or guidelines given by the Minister.

(4) A vote controller shall brief his Minister on the preparation of the budget and, during the year, on budget performance.

(5) Proposals for any new establishment or expansion of an existing one including an increase or upgrading in the establishment, shall be included in the draft estimates only after the approval of the Minister has been obtained.

(6) The Cabinet Budget Committee shall review and approve the financial ceilings and other instructions issued to budgetary agencies and, before the estimates are presented to Parliament.

8. (1) The estimates of revenue shall comprise moneys from these classes-
Estimates of revenue.

(a) the gross receipts of the Government other than repayments of advances;

(b) receipts from deposits and remittances;

(c) the sale of investments forming part of the Consolidated Fund; and

(d) fees, dues and fines payable to the Consolidated Fund.

(2) Each class of estimates may comprise several heads but no head shall contain items coming under different classes.

(3) Receipts which cannot properly be placed under any head may be classified as "miscellaneous".

(4) Where there is need for the opening of new programmes under any head, authority shall be sought from the Financial Secretary before the opening.

9. All estimates of revenue and expenditure shall be classified and coded in accordance with the chart of accounts as maintained by the Accountant-General.
Classification of revenue and expenditure.

14. (1) Personnel emoluments shall contain-

- (a) basic salaries;
 - (b) personnel allowances such as allowances for special duty, overtime, acting, entertainment, housing, medical, fuel, light, clothing or allowances in lieu of accommodation;
 - (c) pensions, gratuities and other retiring benefits; and
 - (d) Government contribution to social security.
- (2) Each allowance shall be described in a separate line and shall not be included with the salary.
- (3) Transport and travelling allowances granted in consideration of expenditure incurred during service shall not be regarded as items of personnel emoluments.

15. (1) Where an officer receives emoluments under more than one head it shall be indicated by cross-references or footnotes.

(2) Any pension or compensation allowance or other emoluments during service, including the provision of official residence shall be indicated as in sub-regulation (1).

16. (1) The Financial Secretary, on the advice of the Budget Bureau, shall determine the standard nomenclature for all items of revenue and expenditure which are common to all or most Government Departments.

- (2) Such items shall have the same accounts codes within the respective heads and programmes and shall appear first within the "other recurrent expenditure (excluding current transfers)" group.
- (3) Where an annually recurrent vote is provided for maintenance or upkeep from which purchases of stores, instruments or equipment are to be made, the amount entered shall not be more than sufficient to provide for normal requirements for the replacement or repair of existing articles.

10. No new codes shall be opened except with the written approval of the Accountant-General.

11. (1) The estimates of expenditure shall show as nearly as can be predicted the amounts expected to be spent during the financial year.

(2) The estimates shall be divided into heads of expenditure in accordance with the structure determined by the Financial Secretary acting on the advice of the Budget Bureau and conveyed to vote controllers through the budget call circular.

12. (1) The purposes of expenditure and the services to be provided under each head shall be outlined in a preamble to the head to be called 'the ambit of the vote'.

(2) No expenditure shall be charged to the head unless it falls within the ambit of the vote.

13. (1) The estimates of expenditure within the heads of expenditure, whether of a capital or recurrent nature, shall be divided into such programmes as are considered necessary for the efficient running of the services to be provided.

(2) Each programme shall include, as far as possible, all the items relating to the particular service to be provided under that programme so as to show clearly the total estimated cost of that service.

(3) Expenditure within each programme shall be classified into the following groups:-

- (a) personnel emoluments;
- (b) other recurrent expenditure (excluding current transfers);
- (c) current transfers; and
- (d) capital expenditure.

20. The source of funds and the anticipated year of receipt of Placement of capital works. the funds for each capital works shall be shown in the estimates.

PART IV - AUTHORITIES FOR EXPENDITURE

21. (1) The Financial Secretary shall, after receiving a general Accounting warrant from the Minister, issue quarterly budget warrants to vote controllers.

(2) The budget warrants shall exclude any expenditure reserved by the Minister in accordance with subsection (4) of section 25 of the Act.

(3) Budget warrants may, if necessary, be numbered consecutively within the financial year to which they relate.

22. (1) A general warrant shall cover services for which Scope of general expenditure has been made in the estimates but shall not include any general expenditure reserved by the Minister under the Act.

(2) Provision of services of any expenditure reserved by the Minister shall be listed in a schedule attached to a general warrant and commitment for expenditure on those services shall only be entered into the expenditure incurred when the relevant funds have been released by means of a Requisition to Incur Expenditure signed by the Minister and a budget warrant issued by the Financial Secretary for the amount authorised.

(4) Requisitions to Incur Expenditure shall be numbered consecutively within the financial year to which they relate.

23. (1) A vote controller shall be responsible for so controlling Departmental expenditure in respect of any service under his control that the control of provision authorised for that service by a budget warrant is not exceeded.

(2) A vote controller shall be personally and pecuniarily responsible for any excess expenditure which is incurred without proper authority.

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17. (1) When capital expenditures are being presented to Parliament through an Appropriation Bill they shall contain sufficient detail as to enable Parliament to identify them.

(2) Savings on total estimated cost shall not be used to finance increases in another.

18. Estimates of capital works which extend over one year shall show the following:-

- (a) the anticipated expenditure for the next financial year;
- (b) the revised estimates (if any) for the works;
- (c) the total amount actually expended so far as the accounts are complete; and
- (d) the total amount likely to be expended up to the beginning of the next financial year.

19. (1) Estimates of capital expenditure shall detail expenditure by project.

(2) The estimates shall show the following:-

- (a) the anticipated expenditure for the next financial year;
- (b) the original total estimated cost of the project;
- (c) the revised total estimated cost of the project;
- (d) the total amount actually expended so far as the accounts are complete; and
- (e) the total amount likely to be expended up to the beginning of the next financial year.

Disbursement for uniformed services.

24. (1) Where further disbursements are required in respect of a service which—

- (a) could not have been foreseen;
- (b) cannot be postponed without detriment to the public service; or
- (c) cannot appropriately be charged to an existing appropriation or which can cause an excess on such estimates,

a vote controller shall seek approval or authority from the Minister before an expenditure is incurred.

(2) Where expenditure for such service cannot be met by virement from a programme with savings, provision for supplementary estimates shall be sought.

Supplementary provisions.

25. (1) Where a supplementary provision is required as an addition to the original estimates, an application for supplementary funds shall be made by the vote controller concerned to the Financial Secretary in order to seek the approval of the Minister.

(2) The application shall include all necessary information to enable a decision on the application to be taken without further reference to the Department or office concerned and shall include—

- (a) in the case of supplements to existing personnel emoluments and other charges—
 - (i) the head and programme which it is desired to supplement, the original sum voted thereon and any supplements which may have since been added;
 - (ii) the actual expenditure and the outstanding liabilities against the programme on the date the application is made;

(iii) the amount of the supplement required, the reasons why the supplement is necessary and why it has not been possible to keep within the voted provision;

(iv) the basis on which the supplement is calculated; and

(v) whether savings are available in other programmes within the head and if so, of what amount;

(b) in the case of a supplement to create a new programme under the recurrent expenditure (personnel emoluments) group —

(i) the reason why the supplement is necessary;

(ii) the basis on which the supplement is calculated;

(iii) the reasons why the need for the service was not foreseen when the estimates were made and why it cannot be postponed and included in the following year's estimates; and

(iv) whether savings are available in other programmes within the head and, if so, of what amount.

26. (1) Where a vote controller thinks that there is a need to Supplementary vary the amount authorised between financial years but within the estimates for total estimated cost for an item of capital expenditure, he shall submit an application for a supplementary appropriation on a Variation of Estimates Form, to the Financial Secretary for consideration by the Minister.

(2) The application shall state—

- (a) the reason for the submission;
- (b) the amount involved and the revised schedule of expenditure;
- (c) the original and revised (if any) total estimated cost; and
- (d) the amount of expenditure incurred to date.

(3) If the Minister is satisfied that the application is in order and in the public interest, he may authorise an advance of funds from the Consolidated Fund to meet any additional expenditure in the current financial year.

(4) The amount involved in any advance shall be included in any Appropriation Bill to be submitted by the Minister to Parliament at its next sitting.

Variation of total estimated cost.

27. (1) Where a vote controller thinks that an increase in the amount of the total estimated cost is justified, he shall submit an application on a Variation of Total Estimated Cost Form through the Financial Secretary for consideration by the Minister.

(2) The application shall state —

- (a) the reason for the submission;
- (b) the original or revised (if any) total estimated cost; and
- (c) the amount involved and the source of available funds.

(3) If the Minister is satisfied that —

- (a) the application is in order and in the public interest; and

(b) funds are available,

he shall include the amount involved in a supplementary estimate to be submitted by him to Parliament at its next sitting.

(4) No expenditure shall be incurred beyond the existing total estimated cost until a variation of total estimated warrant is received from the Minister.

28. (1) An application for supplementary provisions Procedure for approval of supplementary provisions. submitted by a vote controller shall be received by the Financial Secretary and sent to the Minister for consideration.

(2) The Minister shall, if after examination of the application and consultation with the vote controller, where necessary, he thinks that there is the need for the supplement, include the amounts of such provisions in the supplementary estimates and eventually in the supplementary Appropriation Bill to Parliament.

(3) A vote controller shall not take any action which incurs a commitment on public funds notwithstanding that amounts have been submitted to Parliament for approval.

(4) The Financial Secretary shall notify vote controllers by means of a budget warrant when he receives the supplementary appropriation warrant from the Minister.

(5) The Financial Secretary shall ensure that the amount authorised by the budget warrant does not include any expenditure reserved by the Minister under the Act.

29. (1) The Minister may, where he considers necessary, vary an amount allocated to a programme of a head provided the total amount approved by Parliament for that head is not exceeded. Variation of amounts by Minister.

(2) No vote controller shall increase any amount in any programme from which virement has been made either by further virement or supplementary estimate; and no virement shall be used to meet unauthorised expenditure already incurred.

30. (1) No virement shall be allowed between programmes.
- (2) Virements may be permitted within programmes but transfer from non-pay to pay budgets shall not be allowed.
- (3) Virements shall not be allowed to or from the travelling (overseas) item and shall only be permitted into any item defined by the Budget Bureau as being a utility.
- (4) No virement shall be allowed between projects.
- (5) No virement shall be used to create a new programme unless it is approved by Parliament.
- (6) Budget holders or vote controllers may change patterns of expenditure significantly without seeking approval for budget lines from the Minister.
- (7) Only budget holders or vote controllers shall propose virement between budgets, using a standard Application for Virement form (or other form approved by the Minister).
- (8) For all state-owned institutions and other government-assisted institutions, the standard *pro forma* shall be approved by the Chief Executive and the Chief Financial Officer.
- (9) Any change in the content should be authorised and approved.
- (10) Decisions on virement proposals shall be reached within a maximum of two months from the date of application to the Budget Bureau.

Application
for virements.

31. (1) An application for virement shall be submitted by the vote controller through the Financial Secretary for the approval of the Minister, on an application for virement form.
- (2) The application shall state the amounts involved, identify the item where extra provision is required and give an appropriate explanation for the availability of the savings.

(3) No approval shall be given to the application where the amount involved is less than 10 percent of the annual provision on the line item.

(4) In order to ensure that savings identified are genuine, items from which funds have been transferred shall no longer be eligible for the provision of additional funds by supplementary appropriation.

(5) For a virement proposal to be approved, the following additional conditions shall be met:-

(a) sufficient funds must exist in the budget from which they will be transferred to cover the cost of the increased expenditure in the receiving budget, after recognition of planned expenditure and future commitments;

(b) the transfer should clearly state whether it is recurring or non-recurring;

(c) controls must be in place to restrain expenditure in the reduced budget to the new level;

(d) if more than one budget holder is involved, all budget holders must agree to the proposed virement;

(e) the expenditure for the proposed activity or event must not conflict with the priorities and objectives of the institution;

(f) the vote controller must maintain a register of all budget virements;

(g) the Minister of the budgetary agency must be notified of all budget virements.

Minister to
authorise
Financial
Secretary.

32. The Minister may, in writing, authorise the Financial Secretary to approve on his behalf any virement application which complies with these Regulations and any other relevant enactment and does not exceed 40 percent of the annual budget provision of the line item.

Virement
warrant.

33. (1) On approval of a virement application by the Minister or Financial Secretary as the case may be, a signed virement warrant shall be issued.

(2) Virement warrants shall be numbered consecutively within the year of issue and shall be laid before Parliament at its next sitting.

Excess
expenditure.

34. (1) The Financial Secretary shall, as soon as possible after the end of each financial year, cause to be prepared schedules showing the net excess expenditure incurred on each item of the estimates and the revenue under-collected during the financial year.

(2) The schedules so prepared shall be laid before Parliament.

Departmental
warrants.

35. (1) Payments may be made by one vote controller on behalf of another vote controller if the requisite authority has been conveyed by the vote controller on whose account the payments are to be made, by means of a departmental warrant under his signature.

(2) The departmental warrant shall state clearly the head, programme and item (if any) to be charged and the maximum expenditure which may be incurred.

(3) Departmental warrant shall be numbered consecutively in the financial year to which they relate.

(4) On receipt of a departmental warrant the prime responsibility for the expenditure of funds covered by the warrant devolves on the vote controller to whom the warrant is issued but the vote controller who issues the warrant shall ensure that the moneys covered by the authority of the warrant are properly spent for the purpose for which they were granted by Parliament.

36. (1) The authority for expenditure conveyed by an Appropriation Act or a Supplementary Appropriation Act shall lapse at the end of the financial year to which it relates.

(2) The authority conveyed by all warrants of whatever nature shall lapse on the last day of the financial year to which they relate and no payments shall be made after that date on the authority of these warrants.

PART V—BASIS OF ACCOUNTING AND THE PREPARATION OF ANNUAL ACCOUNTS

37. (1) No vote controller shall make any entry in the accounts of Government which anticipates the receipt of revenue or the payment of moneys by Government.

Entry in
Government
accounts.

(2) Where it is discovered that a vote controller has taken any action which anticipates the approval of expenditure by Parliament, then any payment made as a result of such action shall be treated as unauthorised expenditure, a new programme entitled "Unauthorised Expenditure" shall be opened for the head in question, and such unauthorised expenditure shall be the responsibility of the vote controller.

(3) For the purpose of this regulation, "unauthorised expenditure" means—

(a) overspending of a head of expenditure or a main division within a head;

(b) expenditure not in accordance with the purpose of a head or, in the case of a main division, not in accordance with the purpose of the main division.

38. (1) Where in the course of transactions, difficulties are met in immediately allocating receipts or payments to the correct programme, a suspense account may be opened into which amounts may be temporarily posted.

Opening of
suspense
accounts.

(5) Departmental financial statements shall include statements of assets and liabilities.

(6) All budgetary agencies shall use uniform generally acceptable accounting practices approved by the Auditor-General, to aid comparisons of financial performance across all public sector reporting entities.

PART VI - RECEIPTS

40. (1) The vote controller is personally responsible for ensuring that adequate safeguards exist and are applied for the assessment, collection of and accounting for such other public moneys relating to their departments or offices.

(2) A vote controller responsible for departmental revenue shall ensure that all persons liable to pay revenue are informed by bills, demand notes or other appropriate notices, of debts which are due and that adequate measures are taken to obtain payment.

41. The vote controller shall report any case in which he considers, after due inquiry, that the payment of departmental revenue is falling unduly into arrears.

42. (1) Departmental revenue collectors who receive duties, taxes, fees, rents or other public moneys, whether of a revenue nature or otherwise, shall pay such moneys daily or at the earliest opportunity either into a bank authorised by the Accountant-General, for the credit of the Consolidated Fund.

(2) The revenue collectors shall give receipts for moneys paid under sub-regulation (1).

43. (1) No public officer shall collect public moneys unless he is specifically authorised to do so.

(2) Where a public officer receives public moneys he shall pay them promptly to a regular revenue collector within his Ministry or into the Treasury or other public office designated by the Accountant-General; and the public officer shall obtain receipts for moneys so paid.

(2) Suspend accounts shall be opened only by the Accountant-General and in only the following circumstances:-

(a) in the case of payments, such accounts shall be brought to nil balance before the accounts for the financial year are closed;

(b) in the case of receipts, such accounts may be carried forward to the following year if the Accountant-General has reason to believe that a third party may be involved;

(c) such accounts shall be converted to deposit accounts under an appropriate title before the accounts for the financial year are closed.

(3) No suspend accounts shall be used to transfer expenditure from one financial year to another and no vote controller shall take any action which shall have that effect.

(4) Suspend accounts used in contravention of sub-regulation (3) shall be treated as unauthorised expenditure and shall be dealt with in accordance with sub-regulation (2) of regulation 37.

39. (1) The closure of departmental and the public accounts shall not be delayed for the clearance of suspense accounts.

(2) Accounts which are intended for use during the financial year shall not delay the reporting of any unauthorised expenditure to Parliament.

(3) If the appropriate authority of Parliament cannot be identified by the time of the closure of the accounts, then such payments shall be treated as unauthorised expenditure and shall be dealt with in accordance with sub-regulation (2) of regulation 37.

(4) If no appropriate head of expenditure can be identified, such expenditure shall be included in a programme for which the Financial Secretary is responsible, as an unauthorised expenditure and shall be dealt with in accordance with sub-regulation (2) of regulation 37.

Closure of departmental or public accounts.

(3) Except with the specific authority of the Accountant-General, no public officer whose duty involves the posting of assessment registers, rent rolls and similar documents shall be authorised to collect public moneys nor to post collections into a cash book.

Public moneys
not to be
used.

44. (1) No use of any public money shall be made by any public officer in any manner between the time of its receipt and payment into the bank, Treasury or other public office designated by the Accountant-General, and no public money shall be lent or borrowed in any manner or for any purpose by any person.

(2) No money received shall be used by a public officer or any other person to cash any cheque other than a Government cheque, and no public officer shall convert public moneys received in local currency into foreign currency.

Date of trans-
action in
accounts.

45. (1) The date of receipt of any sum of money determines the date of record of the transaction in the accounts.

(2) No outstanding item of departmental revenue shall be carried to a revenue item as a charge to an advance account pending the collection of the amount.

(3) Departmental revenue collected in any year shall not be placed on deposit or held in suspense with the object of transferring it to revenue in the following year.

(4) A register in the form prescribed by the Accountant-General shall be kept in each Department or office for departmental revenues as the Accountant-General may direct.

(5) The register shall be in the charge of an officer to be designated by the vote controller and such officer shall ensure that details of receipt books are fully and correctly entered in it as soon as they are received.

(6) All issues of receipt books shall be acknowledged in writing by the officer to whom the issue is made.

46. (1) On receipt of receipt books and before being entered in a register, all receipt books shall be checked by the officer-in-charge to ensure that they are correct and consecutively numbered. Receipt books to be checked.

(2) The officer-in-charge shall write on the inside front cover of each receipt book a certificate in the following form:—

"Examined by me this day and found to contain

..... forms correctly numbered".

Date Signature"

(3) Any receipt book found by the officer to be defective shall immediately be returned to the Treasury or to the printer with a report of the defect.

(3) On a change of an officer-in-charge, the stock of all receipt documents shall be checked against the register by both the officer handing over and the one taking over; and a statement of the number, type and serial numbers of all the receipt books on hand signed by both officers shall be sent to the Accountant-General and the Auditor-General.

47. (1) The officer-in-charge of departmental revenues shall keep all unused receipt books under lock and key and shall keep the key himself and issue only such books as are required for immediate use. Safe custody of receipt books.

(2) The officer-in-charge shall lock up at the close of each working day all receipt books actually in use.

(3) Any officer-in-charge who makes collections outside the office shall return to his office before the close of business so that his receipt books and collections can be lodged in safe custody.

(4) No receipt books shall be kept on private premises overnight.

(5) The vote controller may, when the needs of the Department or office so require, and with the prior approval of the Accountant-General, make exemptions to sub-regulation (4).

48. (1) All receipt entries in the accounts shall be vouched for on the form or in the manner prescribed by the Accountant-General.

(2) Except when it is otherwise provided for in accounting instructions issued by the Accountant-General or when receipts are not required, for example when tickets which must be serially numbered are sold, receipts shall be given from the official books or forms bearing printed consecutive numbers for every sum paid to the Government.

(3) No receipts shall be issued for payments by public officers which are effected by means of deduction on payment vouchers.

(4) If a deduction is in respect of withholding tax in accordance with the Income Tax Act, 2000, the withholding agent shall issue a withholding certificate to the taxpayer in the following form:-

Act No. 8 of 2000.

From:

TO:

.....
.....
.....

DATE:

TAX WITHHOLDING CERTIFICATE

In accordance with the provisions of Section 127 (1) of the Income Tax Act 2000,

I/We hereby certify that we have withheld a total amount of representing 5% or 10% withholding tax on total payment of Le. made to you/your entity in settlement of your invoice (s) as per attached list.

I/We further certify that the withheld amount has been paid to the National Revenue Authority by our cheque no. of so that your tax account will be credited.

Signed:

Copy: Commissioner-General

49. (1) A vote controller shall be responsible for ensuring that a proper system exists for the safe custody, recording and proper use of all departmental revenue receipts, licences and other documents issued for the receipt of public moneys, in his department or office. Responsibility for control of receipts.

(2) A departmental revenue collector shall return early enough to his office to enable him to lodge the receipt books and collections safely in the office.

(3) No monies collected shall be kept on private premises overnight.

(4) The vote controller concerned shall, when the needs of the department so require and with the prior approval of the Accountant-General, make exemptions to sub-regulation (3).

50. (1) When departmental receipts, licences or other accountable books are issued from counterfoil books, the officer signing the original of the receipts, licences or accountable books shall initial the counterfoil and shall ensure that it contains all the necessary detail including the amount received, the particulars of the payment and date of payment, and that it accords with the original. Insurance of receipts, licences, etc.

(2) When such documents are issued from books which make provision for duplicates and other copies to be reproduced by carbon paper, the officer issuing the document shall ensure that the carbon copies are clear and legible in every respect.

(3) The original and counterfoil or copy of every licence or similar document which of itself is not a receipt but evidence of the payment of the prescribed fee, shall on issue be endorsed with the number and date of the receipt issued in respect of the payment of the fee and the amount of the fee and the details of the licence or similar document issued shall be entered on the receipt.

(4) All revenues of Government shall be documented on receipts on specially pre-printed and serially numbered forms printed by the Government Printer.

(5) All arrangements for printing reports, pamphlets and similar documents at Government expense shall be made by the Government Printer.

(6) The departmental revenue collecting agent shall request permission for any exemption to sub-regulation (4) or (5) from the Government Printer who may recommend final approval from the Accountant-General.

No alteration on receipts etc.

51. (1) No alterations shall be made to any departmental receipts, licences or other accountable documents.

(2) When such documents are issued from books which have duplicates and other copies to be reproduced by carbon paper, the officer issuing the documents shall ensure that the carbon copies are clear and legible in every respect.

(3) No original, counterfoil or copy of a receipt shall be destroyed; they shall be retained and produced for inspection when required.

Receipts to be issued immediately.

52. (1) A receipt in the proper form shall be issued immediately after public money is received.

(2) Where the payer pays in person, the original receipt shall be handed to him immediately; but where moneys are received by post the original receipt shall be sent on the same day of receiving the payment.

Opening of mail.

53. (1) Incoming mail shall be opened by a senior officer of the Department or office in the presence of another officer of the Department or office but neither of them shall have any direct responsibility for the collection of revenue.

(2) The officer opening the mail shall maintain a register in which he shall record full details of any cheques, cash or documents received, including the date, name of the sender, registered package number and the amount or description of the articles.

(3) In the case of uncrossed cheques they shall be crossed immediately by the senior officer.

(4) Items received in the mail shall be handed to the officers responsible for dealing with them who, if the items have been recorded in the register, shall sign the register in acknowledgement of their receipt.

54. (1) No foreign currency, notes or coins, foreign stamps or cheques drawn in foreign currency shall be accepted in payment of any moneys due to the Government unless specifically approved by the Accountant-General. Foreign moneys not to be accepted.

(2) No payment of moneys due to the Government shall be made by credit cards or promissory notes unless specifically approved by the Accountant-General.

55. (1) A cheque drawn in the local currency shall be accepted in payment of moneys due to the Government if the officer receiving it has no reasonable grounds for believing that the cheque will not be honoured.

(2) All cheques received shall be made payable to the Government and shall be crossed "Account: Payee only" and any cheque not so crossed on receipt shall immediately thereafter be crossed.

(3) Post-dated cheques shall not be accepted in payment of moneys due to the Government.

(4) Officers accepting cheques in payment of moneys due to the Government shall ensure that-

- (a) the cheque is correctly dated (that it is neither time-expired nor post-dated);

- (b) the amounts in words and figures agree;
 - (c) the cheque is signed; and
 - (d) all alterations to any details of the cheque are validated by the full signature of the drawer,
- and shall not accept any cheque which contravenes any of these conditions.
- (5) When payment is made by cheque, the officer receiving it shall write the cheque number on all copies of the receipt book or document and record the serial number of the book or document on the back of the cheque.

Dishonoured cheques.

56. (1) If a cheque received by an officer is dishonoured by the bank and cannot be immediately corrected and re-presented, the officer shall—
- (a) if the cheque has been received in payment of a departmental licence or similar pre-paid item (for example a motor vehicle licence), debit the appropriate revenue item by the entry of a debit item in the revenue cash book and inform the vote controller concerned or relevant authority in order that appropriate action can be taken (such as the revocation of the licence);
 - (b) if the cheque has been received in settlement of a debt owed to Government (for example, the settlement of an imprest), debit the appropriate advance account by entering a debit item in the revenue cash book and informing the vote controller in order that appropriate action can be taken; or

- (c) if the cheque has been received as a condition for services to be performed by the Government (for example, the clearance of goods for custom purposes), initially debit the amount involved to the advance account, in the name of the person concerned.
 - (2) Without prejudice to sub-regulation (1), all necessary steps shall be taken to obtain the revenue including where appropriate, legal actions, in respect of the dishonoured cheque.
 - (3) In the case of paragraph (c) of sub-regulation (1), all outstanding balances in the advance account shall be closed at the end of the financial year by crediting that account and debiting the revenue item.
 - (4) All amounts involved with dishonoured cheques shall be included in the Register of Losses.
 - (5) No dishonoured cheque shall be held as part of a cash balance.
 - (6) The name of the drawer and the amount of a dishonoured cheque shall be included in a schedule to be maintained by the Accountant-General and when the revenue is collected from the debtor the entry shall removed.
57. The Accountant-General shall be informed immediately of any instance of a dishonoured cheque.
- Accountant-General to be informed of dishonoured cheques.
58. Receipt of departmental moneys shall be posted into the cash book at the time of the actual transaction or as soon as possible thereafter on the day of the transaction.
- Postings of receipts.
59. (1) The vote controller or other person doing a spot check shall investigate any surplus moneys found when balancing the cash book with the collections.
- Surplus collection.

(2) If no explanation of the surplus is discovered which will enable the matter to be corrected immediately, the cash shall be credited to miscellaneous receipts (surplus cash) and a report made to the Accountant-General.

Revenue collectors to keep records.

60. (1) Departmental revenue collectors shall keep records of moneys collected in such form as the Accountant-General may determine.

(2) The records shall show the persons from whom revenue is due, the amount payable, the date, location, receipt number and amount of the collections made.

(3) The records shall, wherever possible, be self-balancing and shall be reconciled with the cash collections monthly.

Assessment registers.

61. The officer who posts departmental revenue assessment registers, rent rolls, ledgers and similar documents shall inform the officer-in-charge of revenue collection whenever the amount collected differs from the amount due and such difference shall immediately be investigated and appropriate action taken.

Payment of receipts into banks or Treasury

62. (1) All departmental revenue or other public moneys collected shall be paid into a bank account authorised by the Accountant-General or into the Treasury daily or if it is not possible, at the earliest opportunity.

(2) When moneys are being paid into a bank by cheque, the amount and serial number of the cheque and the name of the bank shall be recorded and retained with the departmental copy of the bank lodgement slip.

(3) After paying collections into the Consolidated Fund, the officer doing so shall submit to the Accountant-General—

- (a) the serially numbered bank lodgement slip stamped by the receiving bank;
- (b) the completed receipt vouchers; and

(c) the duplicate receipts.

(4) The treasury officer receiving the collections shall, where appropriate verify that all receipts issued have been entered in the receipt vouchers and that the totals in the vouchers are correct and correspond with the amount acknowledged in the serially numbered bank lodgement slip.

(5) If the treasury officer is satisfied in relation to sub-regulation (4) with the accuracy of the records and documents he shall stamp and sign the receipt voucher.

(6) The treasury officer shall issue a treasury receipt for the collections paid in and post details of the receipt into the Department's cash book in support of the payment.

63. (1) A vote controller shall ensure that his accounts are properly maintained and are correct at all times. Checking of records.

(2) A vote controller shall, in relation to sub-regulation (1) appoint an officer who shall examine and check daily, all entries in cash books and other books of account, the counterfoils or copies of receipts or original documents to verify the correctness of the transactions.

(3) The officer appointed under sub-regulation (1) shall not have taken part in the work to be checked.

(4) The checking officer shall, after checking the cash books and receipt books initial and date them in such a way that the period and items covered by the check may be clearly identified.

64. (1) A vote controller shall arrange that from time to time and at least every three months, a surprise check is carried out by an officer more senior to the checking officer. Surprise checks.

(2) The surprise check shall verify that—

- (a) the cash in hand is correct;

- (b) the cash books and ledgers have been posted up to date;
- (c) effective controls and safeguards are applied; and
- (d) arrears of departmental revenue are not being allowed to accumulate.

(3) The officer doing the surprise check shall enter the results of his check in the Register of Surprise Inspections which shall contain—

- (a) the results of the check;
- (b) the name and signature of the officer performing the check; and
- (c) the date of the check.

Refund of revenue.

65. (1) Refund of departmental revenue may become necessary because of over-collection made in error, or where properly collected in accordance with any enactment or instruction, provision exists in the enactment or instruction for the revenue to be reclaimed in given circumstances, in the form of a rebate or drawback.

(2) Where the collection, over-collection, rebate or drawback is made in the same financial year as that in which the revenue was originally collected, it shall be authorised by the vote controller concerned to be charged as a debit item in the appropriate revenue head.

(3) A rebate or drawback made in the financial year subsequent to that in which the revenue was collected shall be made with prior approval of the Accountant-General who shall debit it to an expenditure item called "Refunds of Revenue of Previous Years".

(4) A rebate or drawback made in accordance with an enactment or instruction shall be authorised by the officers prescribed in the enactment or instruction and charged against the appropriate expenditure programme.

66. (1) When an overpayment charged to an expenditure item is charged in the same financial year as that in which the expenditure occurred, it shall be treated as an expenditure over-payment programme but when recovery is made in a subsequent year, the recovery shall be treated as a revenue and credited to the revenue programme called "recovery of overpayment".

(2) Recovery of an overpayment made from an advance or suspense account shall be credited to that account irrespective of the financial year in which the original payment is made.

67. Where departmental revenue is refunded or overpayment is recovered, the original receipts or vouchers on which the over-collection or overpayment occurred shall be fully cross-referenced and copies attached to the vouchers or receipts by which the adjustments are made or otherwise. Vouchers to be cross-referenced.

68. (1) Within thirty days of the end of the financial year, each vote controller shall submit to the Accountant-General in the form prescribed by the Accountant-General, a return of all arrears of the departmental revenue for which he is responsible. Returns on revenue arrears.

(2) The return shall state for each revenue head and item the arrears outstanding at the end of the current financial year.

(3) The Accountant-General shall, on receiving the individual returns consolidate them into a statement showing all the revenue outstanding under each revenue item as at the end of that financial year.

(4) The statement shall form part of the Government's annual statements of accounts.

69. (1) Where a Government project receives from a donor an advance or a reimbursement of earlier expenditure, whether by way of grant or loan, the actual amount received shall be classified and brought to account in accordance with the chart of accounts and where the amount is in foreign currency, it shall be brought to account at the equivalent amount in leones at the official exchange rate on the date of receipt. Donor funds.

(2) In the case of a grant agreement, the department and the Accountant-General shall credit Revenue (Grants) and debit Bank and in the case of a loan agreement, the department and Accountant-General shall credit Loans (External) and debit Bank.

(3) Where a donor makes a payment on behalf of a Government project, whether out of a grant or drawdown of a loan, the actual amount paid shall be notified to the responsible department and the Accountant-General, classified and brought to account in accordance with the chart of accounts at the equivalent amount in leones at the official exchange rate at the date of payment by the donor and in the case of a grant agreement, the department and the Accountant-General shall credit Revenue (Grants) and debit Capital Expenditure (Project X).

(4) In the case of a loan agreement, the department and Accountant-General shall credit Loans (External) and debit Capital Expenditure.

PART VII - PAYMENTS

70. (1) This regulation applies to all expenditure on goods and services requiring Local Purchase Orders but does not apply to personnel emoluments, legally mandatory transfers, debt service, opening of imprests.

(2) Expenditure commitments shall be controlled against approved procurement plans and allocations from approved budgets and a vote controller shall make an expenditure commitment only against the procurement plan approved by the Budget Bureau for his head and within the cumulative allocations for the year.

(3) At a minimum a procurement plan shall include proper description of the procurement item, the estimated contract value, when the item is needed and the procurement method.

(4) Any changes to approved procurement plans during the year shall be approved by the Financial Secretary on the advice of the Budget Bureau, after consultation with the National Public Procurement Authority where necessary.

(5) Vote controllers shall apply each quarter by means of MTEF/PETS form 1 for a release of allocation by the Budget Bureau and one form is prepared for each programme within the head of expenditure.

(6) The Programme Manager prepares the form 1 on the basis of planned payments on contracts in the approved procurement plan relating to his programme.

(7) The form 1 is certified by his professional head, authorised by the vote controller, endorsed by the Minister in charge of the budgetary agency, and submitted to the Budget Bureau.

(8) The Budget Bureau shall release the amounts required under form 1 if cumulative releases for the year are within the approved budget.

(9) The Procurement Committee of the budgetary agency shall invite bids and select a supplier in accordance with the agency's procurement plan and any procurement regulations.

(10) A payment to a supplier can only be made on the basis of a purchase order carrying a commitment control number.

(11) The accounts branch of the budgetary agency shall prepare a Commitment Control form and an MTEF/PETS form 2 and they are signed, certified, authorised and endorsed as for form 1, and entered in the computerised system.

(12) If the total expenditure and commitments are more than the cumulative allocations the system shall reject the application.

(13) If there are more than one cumulative allocations, the system shall reject the application.

(1) Wherever practicable all payments of public moneys to persons outside Sierra Leone shall be made by direct payment to made outside such persons by banker's draft or otherwise through the local banking system. Sierra Leone.

(2) Where direct payment is inappropriate, payment shall be made on the authority of the Accountant-General through agents appointed for the purpose by him with the approval of the Financial Secretary.

72. (1) The date of payment of any amount determines the date of the recording of the transaction in the accounts.

(2) No payment shall be made before it is due, for the purpose of utilizing an anticipated saving on a programme.

(3) No unexpended portion of any provision shall be drawn from the Treasury for the purpose of setting it in reserve to meet impending payments or to be carried to a deposit or other account.

(4) Notwithstanding the provisions of sub-regulation (2) or (3), any expenditure properly chargeable to the account of a given year shall, as far as possible, be met within that year and shall not be deferred for the purpose of avoiding an excess in the amount provided in the estimates.

73. (1) All disbursements of public moneys shall be properly supported by payment vouchers.

(2) Payments other than legally mandatory transfers and debt service shall be supported also by a copy of the Commitment Control form.

(3) All payment vouchers shall be typewritten or made out in ink or ball point pen and shall contain or have attached thereto full particulars of the service for which payment is made including dates, numbers, distances and rates, so that they can be checked without reference to any other document.

(4) Where items are purchased at contract rates or prices, the items shall be named in the same order as that in which they appear in the contract and the rates or prices shall also be stated in the same terms as those in the contract.

(5) All amounts appearing in a voucher shall be written in words as well as in figures.

(6) Copies of vouchers shall be clearly marked and coloured so as to distinguish them from the originals.

74. (1) An officer, including a Minister or a Chairman of a statutory body who signs a voucher shall ensure that—

Responsibility
for accuracy
of vouchers.

(a) the services specified in the voucher have been duly and competently performed;

(b) the prices charged are either according to contracts or approved scales or are fair and reasonable according to local rates;

(c) authority has been obtained as quoted;

(d) the calculations and castings have been verified and are arithmetically correct;

(e) the classification of the expenditure and any deduction are correct;

(f) there are sufficient funds uncommitted in the relevant vote to meet the expenditure;

(g) the persons named in the voucher are those entitled to receive payment;

(h) any supplies purchased have been taken on charge or issued for immediate use;

(i) for payments on procurement of goods and services, the voucher shall be supported with a certification that the procurement was carried out in accordance with the approved or revised plan as provided for in sub-regulation (3) of regulation 70 and shall also be supported by the relevant minutes of the Procurement Committee meetings.

(2) Except in the case of a duly authorised proforma invoice for a payment on account, no more payment shall be made than the value of the work certified to have been performed.

(3) Where a deduction is due from the amount payable in a contract in respect of any tax, withholding moneys, penalties or fines, only the net sum shall be paid.

Signing of vouchers.

75. (1) A vote controller may in writing authorise by name officers in his department or office to sign payment vouchers on his behalf and shall in doing this set the financial limits and other conditions within which this authority shall be exercised.

(2) The vote controller shall communicate to the Accountant-General and Auditor-General the names of the officers so authorised, the financial limits within which they shall exercise the authority and specimen signatures of those officers.

(3) When the vote controller withdraws such authority he shall inform the Accountant-General and the Auditor-General.

(4) A vote controller shall, at the beginning of each financial year, submit a list of the current authorised officers and their specimen signatures to the Accountant-General and the Auditor-General.

(5) Where the officer signing the voucher cannot himself check that the services for which payment is being made have been performed or the supplies received, he shall ensure that the voucher is supported by a certificate (or other endorsement such as an annotated rubber stamp) signed by an officer who can attest to the correctness of the facts, as in the following example:
For example -

(a) Payments for the purchase of supplies shall be certified by the stores officer concerned as follows:-

(i) "I certify that the articles for which this payment is made have been received by me in good condition and have been taken on charge in stores ledger folios (quote reference)" or

(ii) "I certify that the articles for which this payment is made have been received by me in good condition and have been issued for immediate use".

(b) Payments for purchases unsupported by receipts shall be certified by the officer making the purchases as follows:-

"I certify that these charges have been incurred wholly and exclusively for the public service and that receipts could not be obtained because (state reasons)".

(6) The signatures of officers on payment vouchers and certificates shall be in ink or ball point pen but no stamped facsimile signatures shall be used.

(7) Only the original payment voucher or certificate shall be signed and the officer shall ensure that legible copies of the signature are on each copy of the voucher.

(8) Each certificate on or attached to a payment voucher and each sheet of a voucher comprising more than one sheet shall be signed separately; but no signature shall be written across one or more certificates.

(9) The name and designation of the officer signing a voucher or certificate shall be typed or written legibly below the signature.

Officer to be surcharged.

76. Where an unauthorised or irregular payment has been made as a result of an incorrect certificate, the officer who signed the certificate shall be required to explain the circumstances leading to the error and if he is found to be negligent he shall be held responsible and shall be surcharged with any loss arising therefrom.

Vote service ledgers.

77. (1) Unless a budgetary agency has adopted a computerised system of commitment control, the vote controller shall, in order to be readily aware of the state of expenditure paid and incurred, keep a vote service ledger in the form determined by the Accountant-General showing separately under each head and item of the estimates for which he is responsible-

- (a) the amount voted and revised where necessary to account for the amount authorised for release by an accounting warrant and for increases or reductions by way of savings approved for use for other purposes;
 - (b) the total expenditure to date (including acceptance of a charge in respect of Unallocated Stores Issue Voucher or otherwise);
 - (c) any commitments entered into including any allocation made to other Departments or offices by a departmental warrant, indents for chargeable supplies and charges for utilities such as power, telephones or local purchasing orders; and
 - (d) the uncommitted balances available.
- (2) Liabilities including outstanding indents incurred but not paid for in a financial year shall be entered in the Vote Service Ledger for the following financial year.

(3) Whenever a voucher is prepared for authorization of payment, it shall be entered in the Vote Service Ledger and the authorizing officer shall initial the column provided for that purpose as evidence of the correctness of the charge and of the entry in the Vote Service Ledger.

(4) Where it is impracticable for an authorizing officer to initial, he shall satisfy himself that an adequate system is in force to ensure that the Vote Service Ledger is updated.

(5) In relation to sub-regulations (3) and (4), the vouchers shall bear a clear endorsement or indication that they have been entered in the Vote Service Ledger and adjusting entries between commitments and expenditure similarly cross-referenced, shall also be made where necessary.

78. (1) The Accountant-General shall notify vote controllers of all charges incurred by other external bodies or agencies against the votes for which they are responsible in order that the relevant entries in their Vote Service Ledgers can be made or adjusted.

(2) The notifications shall be made in duplicate, and one copy shall be returned to the Accountant-General by the vote controller endorsed "certified that the charges have been accepted and entered in the Vote Service Ledger".

(3) Where the charges relate to the purchase of supplies, the notification shall also be endorsed "Certified that the articles have been received in good order and taken on charge".

79. (1) The Accountant-General shall, as soon as possible after the end of each month, send to each vote controller or provide on-line information showing the state of each head and item of expenditure and revenue for which that vote controller is responsible.

(2) The vote controller shall agree to or reconcile this information with his Vote Service Ledger, investigate and correct any discrepancies and submit information on actual revenue and expenditure for the preceding month to the Financial Secretary within ten days of the end of each month.

Submission of payment vouchers to Treasury.

80. (1) Except payments made from authorised imprests, all payments in Sierra Leone shall be made by the Accountant-General or an officer duly authorised in writing by him to do so.

(2) Unless a budgetary agency has adopted a computerised on-line system of payment, a vote controller shall, for the purposes of payment, submit payment vouchers to the Treasury supported by a batch sheet which has been completed in triplicate, two copies being sent with the vouchers to the Treasury and one copy retained as the departmental record together with copies of the vouchers.

(3) On receipt by the Treasury of the vouchers referred to in sub-regulation (2), they will be checked against the batch sheet and if in order, one copy of the batch sheet acknowledged by the treasury officer shall be returned to the vote controller as an acknowledgement of receipt of the vouchers.

(4) The Accountant-General shall ensure that payments due on the vouchers are made as soon as possible to the persons entitled to receive them.

Payment to third parties.

81. (1) Where responsibility for payment has not been decentralised, the Accountant-General or authorised officer shall, before making any payment against a voucher, check that-

- (a) the voucher is properly supported by the prescribed documents;
- (b) the documents are attached to the voucher and are correct and complete in every particular; and
- (c) payment of the voucher shall not result in an excess on the amount provided in the estimates.

(2) The Accountant-General or authorised officer shall refuse payment on any voucher which is incorrect.

(3) Where an irregular payment is made as a result of a failure to comply with any provision of this regulation, the paying officer responsible for the omission may be surcharged with the amount of any loss.

82. (1) If any voucher on which payment has been made is lost, mislaid or inadvertently destroyed, the Accountant-General shall report the full circumstances to the Financial Secretary with a copy to the Auditor-General.

(2) If after due enquiry the Financial Secretary is satisfied as to the circumstances of such loss, mislaying or destruction and that payment has been properly and correctly made, he may recommend to the Minister to authorise the payment to stand charged in the accounts.

(3) For the purposes of this regulation, a payment voucher which is incomplete because its supporting documents and other records are missing shall be regarded as a missing voucher.

83. (1) An imprest shall only be issued for a purpose for which expenditure has been included in the approved estimates.

issuance of imprests.

(2) A vote controller shall submit a list of standing imprests required by him in the coming financial year to the Accountant-General at least fifteen working days before the start of that financial year.

(3) Special imprests may be requested as the need arises and shall be submitted to the Accountant-General at least three working days before the money is required.

(4) An imprest shall be restricted to the minimum amount required for which it is issued supported by a costed estimate of the activities.

(5) All imprests shall be issued in the names of the officers who will hold them and the imprests shall remain their personal responsibility until they are refunded or discharged by the submission of properly completed payment vouchers or handed over to another officer in accordance with regulation 88.

- (6) An imprest holder shall not be relieved of any personal responsibility by delegating the custody or operation of an imprest to another officer.
- (7) An imprest shall not be charged in the accounts as final expenditure; only the actual payments out of such imprest shall be so charged.
- (8) The full amount of any imprest issued shall be entered in the cash book as a payment and shall be posted to a separate account entitled "Imprests".
84. (1) The officer holding an imprest shall decide whether to hold the imprest in a bank account, taking into consideration the size of the imprest, the nature and frequency of the payments to be made from it and the security facilities available to him.
- (2) The officer holding an imprest shall, if he decides to deposit it in a bank account, seek the approval of the Accountant-General thereafter.
- (3) Cash in respect of an imprest shall be kept separate from any other cash for which the imprest holder is responsible.

Custody of imprests.

Duties of imprest holders.

85. An officer holding an imprest shall—
- (a) ensure that an imprest issued to him is used wholly and exclusively for the purpose for which it is issued;
- (b) account for the imprest in accordance with these Regulations and the terms under which it is issued;
- (c) ensure that the imprest moneys and any payment vouchers awaiting recoupment are adequately safeguarded at all times;

- (d) ensure that the imprest is not used for any purpose other than that for which it was issued;
- (e) obtain proper receipts for all payment vouchers for disbursements from the imprest;
- (f) ensure that the full amount of the imprest can be fully accounted for at all times in cash, stamps, money at bank or completed payment vouchers;
- (g) ensure, in the case of a standing imprest, that the imprest is recouped as and when necessary, but not less frequently than once each month;
- (h) except as otherwise provided in these Regulations, to account for the imprest in full on or before the close of business on the last working day of the financial year and to refund any unexpended balance to the Treasury; and
- (i) be ready at any time to produce to the Accountant-General or their representatives the full amount of the imprest in cash, stamps, bank balance or completed vouchers.
86. (1) The officer holding a standing imprest shall keep an account showing the amount of the full details of the payment vouchers for imprest disbursements made from the imprest.
- (2) The imprest account shall be balanced at the time of each recoupment and the total of the cash, stamps, bank balance and completed vouchers shall correspond with the amount of the imprest.
- (3) After recoupment, the balance shall be carried down and the amount of the recoupment entered, thus bringing the total to the amount of the original imprest.

Recoupment
of imprests.

87. (1) The officer holding an imprest shall, when recouping an imprest, submit to the Accountant-General a properly completed payment voucher, supported by individual vouchers and receipts and a covering schedule summarising and allocating the individual transactions.

(2) Payment vouchers shall be sent to the Treasury for recoupment not later than the month following that in which they were paid; transactions for different months shall not be included in the same recoupment.

(3) The Accountant-General shall, after examining the payment voucher and on being satisfied that it is correct, pay the total sum represented by the voucher to the holder of the imprest to recoup the imprest to its original amount.

(4) A payment voucher shall, where appropriate, be accompanied by a signed account showing how the imprest was made up on the last day of the preceding month, and the account shall be supported by a signed certificate of the cash on hand, a bank statement and bank reconciliation (where appropriate) and such other documents as are necessary to prove the existence of the imprest.

Change of
imprest
holders.

88. (1) On any change of an officer holding imprest, a statement of account as in sub-regulation (4) of regulation 87 shall be prepared showing how the imprest was made up at the time of handing over; five copies of such statement shall be prepared and signed by both the officer handing over and the officer taking over the imprest.

(2) The original statement shall be submitted to the Accountant-General, one copy to the Auditor-General and a third retained on file in the Department or office.

(3) The officers concerned shall each retain one of the remaining copies.

(4) Notwithstanding the provisions of sub-regulation (1), no personal imprest shall be handed over to another officer.

Retirement
of imprests.

89. (1) Except as otherwise provided in regulation 91, all imprests shall be retired as soon as the necessity for them ceases to exist or by the close of business on the last working day of the financial year in which they were issued, whichever first occurs.

(2) If a new imprest is necessary in the subsequent financial year it will be issued under the authority of the imprest warrant for that year.

(3) Except as otherwise provided in regulation 91, if an officer holding an imprest fails to retire it in full within thirty days of the close of the financial year in which the imprest is issued or otherwise on demand by the Accountant-General, the amount outstanding may be recovered from the salary or other emoluments or from any other amounts due to the officer but where no salary, emoluments or amounts are available from which to recover the imprest, the amount may be charged as a personal advance in the name of the imprest holder and may be recovered as a civil debt due to the Government.

(4) Officers holding imprests are not relieved of their responsibilities in respect of the imprests until payment vouchers submitted to the Treasury have been examined and found to be correct.

90. (1) Notwithstanding any other provisions of these Regulations, a special imprest issued in one financial year in respect of a duty journey which has not been completed by the end of that financial year may be retained by the officer but it shall be accounted for as soon as the officer returns to his normal place of work.

Duty journey
imprest.

(2) The officer shall, so far as is practicable, even though the duty may not have been completed, submit vouchers for the expenditure incurred by him against the imprest before the end of the financial year, so that they can be included in the accounts of that year.

(3) No further special imprest shall be issued to an officer for the purpose of a duty journey if he is still in possession of an unretired imprest previously issued to him for a similar purpose.

Retirement of standing imprests. 91. If, in exceptional circumstances, a standing imprest cannot be retired before the close of the financial year in which it is issued, all vouchers paid before the end of the year shall, wherever possible, be sent to the Treasury to be embodied in the accounts of that year; and in such circumstances the officer holding the imprest shall submit to the Accountant-General with a copy to the Auditor-General, a full statement in writing of the reasons for the delay in retiring the imprest.

Accountant-General to control payments and repayments. 92. The Accountant-General shall ensure that payments and repayments of loans or advances given under the General Orders are made strictly in accordance with the terms and conditions attaching to the loans or advances, and shall in particular ensure that-

- (a) payments are made only to persons entitled to them;
- (b) suitable terms and conditions have been prescribed to safeguard the repayment of the loans or advances;
- (c) interest is charged where applicable;
- (d) repayments are not overlooked or delayed;
- (e) collateral security is held by the Government; and
- (f) proper accounts and controls are kept and the necessary recoveries effected.

Accounts of loans and advances to be maintained. 93. (1) The following accounts shall be maintained in the Treasury in respect of loans and advances -

- (a) a control account to record the total sum provided for each category of loans or advances, the amounts issued, the repayments received and the balance outstanding; and

(b) an account in which borrower transactions shall be recorded in the name of the borrower, the amount loaned or advanced, the terms of the loan, the nature of the collateral security, if any, the rate of interest, payable and the due dates, and amounts of repayments.

(2) The balances on the individual loan accounts shall be listed and reconciled with the relevant balances in the control accounts at the end of each quarter and copies of the reconciliation shall be submitted by the Accountant-General to the Auditor-General.

94. For purposes of regulations 95 and 96, personnel Interpretation. emoluments mean all benefits arising to an employee as part of his conditions of appointment or employment.

95. (1) A vote controller shall ensure that the personnel Records to be emoluments records maintained for all of the employees in his budgetary agency are correct and that all changes, increases or deductions are duly notified to the Accountant-General.

(2) Notification of changes shall be batched and sent to the Accountant-General in accordance with the Schedule of Payroll Dates which shall be issued by the Accountant-General at the beginning of the year.

96. (1) A vote controller shall ensure that the required time Maintenance books and other records are maintained so that persons employed on a daily wage basis are paid only for days actually worked.

(2) A salary voucher in the form determined by the Accountant-General shall be prepared for each month and a paying officer nominated by the vote controller.

(3) The salary voucher shall show full details of basic salary, all allowances, income tax deduction, social security contribution by employer and employee, all other deductions and the net amount payable to the employee.

(4) The salary voucher shall be certified by the nominated paying officer and the vote controller as follows:-

PAYING OFFICER

I hereby certify that I received the sum of Le being salaries / wages for the month No ... and have duly paid the above named employees. Attached are originals of letters of authority and unclaimed list / AGD Receipt No for Le

Name

Signature

Title

Date

VOTE CONTROLLER

I hereby certify that each of the above named persons has been employed in the capacity and during the period stated and that the employment was duly authorised.

I hereby return unclaimed salaries of Le on this Payment Voucher to be paid to Bank of Sierra Leone Account No

Name

Signature

Title

Date

(5) Subject to sub-regulation (6), payment shall only be made to the person listed on the salary voucher after proper identification and signing.

(6) Payment shall be made to a person other than the one whose name is listed on the salary voucher if an acceptable letter of authorisation to make payment to such person by the person whose name is on the pay sheet is submitted and approved by the vote controller.

(7) Any unpaid personnel emoluments shall be repaid to the Accountant-General and the entry on the salary voucher shall be initialled by the paying officer and verified by the chief financial officer.

(8) A schedule of unpaid personnel emoluments shall be prepared by the nominated paying officer at the end of each payment and verified by the vote controller and shall indicate the employee number, full name, location of employee, amount uncollected and reason for non-payment.

(9) Where an employee does not collect his personnel emolument for three consecutive months, the vote controller shall investigate and submit a written report to the Accountant General.

(10) The Accountant General shall suspend the name of the employee from the payroll if the explanation is not satisfactory.

(11) No payments shall be made to any officer, sub-contractor, foreman or any other person for distribution unless authorised by the Accountant-General.

PART VIII - ACCOUNTS AND BOOKKEEPING

97. Approved estimates shall form the basis of the accounts Basis of for the year to which they relate and the analysis and classification of accounting. all receipts and payments shall accord with those estimates and the chart of accounts prescribed by the Financial Secretary.

Accounting entries to be supported by vouchers.

98. Every entry in the accounts shall be supported by a voucher or other approved document containing the full details and particulars of the item or items to which it relates.

Alterations and corrections.

99. (1) No erasure or alteration shall be made in any manual, cash book, assessment register, rent roll, ledger, voucher or other document of account.

(2) Payment in connection with any document bearing an alteration or erasure may be refused by the Treasury.

(3) If any correction becomes necessary, the original entry shall be crossed through by a line only, so as to show clearly what the original entry was, and the correct entry placed before the original one; and the correction shall be initialled by the responsible officer.

(4) No correction shall be made in any document which has been audited, without the prior approval in writing of the Auditor-General.

(5) If documents containing corrections are frequently received by the Treasury from any department or office, the Accountant-General shall draw the attention of the vote controller to this fact and seek an appropriate explanation.

Accountant-General to keep cash records.

100. (1) The Accountant-General or any sub-treasurer appointed by him shall keep in his office a cash book, batch sheets or other records showing the allocation of receipts and payments, journals and ledgers together with such other books and registers as may be necessary for the proper maintenance and production of the accounts of the Government.

(2) All cash transactions shall be entered in the cash book as they occur.

(3) The entries shall be numbered consecutively on each side of the cash book in the order of the receipts or payments and corresponding numbers shall be entered on the supporting vouchers, commencing a fresh series each month.

(4) The cash book shall be balanced at the end of each working day and the balance carried over with the total amount on hand, but if the balance does not agree with the total discrepancy shall be checked in accordance with sub-regulations (2), (3) and (4) of regulation 63.

(5) After the checking has been done, a certificate shall be entered in the cash book showing the opening balance, receipts and total payments of the day and the closing balance.

(6) In the case of the Treasury cash book, the certificate shall be signed and dated by the Accountant-General or his deputy and in the case of a sub-treasurer, dated by an officer nominated in writing by the Accountant-General.

(7) The closing balance shall be carried forward to constitute the opening balance of the next day.

101. (1) Journal entries shall be prepared as required, for all Treasury adjustments authorised to be made by transfer between individual journals, items of revenue and of expenditure and other ledger accounts which do not involve cash receipts or payments.

(2) The Accountant-General shall be the only authority for the issue of journal entries.

(3) Each journal entry shall be consecutively numbered, a fresh series being started for each month.

(4) Journal entries shall be posted daily.

(5) Journal entries shall be supported by sufficient explanations, authorities, references and documentation to enable the purpose of the transfer to be understood without reference to any other source.

(6) Where a journal entry involves adjustments between two or more heads, the entry shall be copied to all the vote controllers concerned.

Sub-treasury accounts.

102. (1) Every sub-treasurer shall, not later than the tenth working day of each month, submit to the Accountant-General a summary of his cash book for the previous month certified by him as a true abstract, together with the necessary supporting vouchers and allocation of receipts and payments and a statement of the balances held in cash and in the bank on the last day of the month.

(2) If the total of the sub-treasurer's cash and bank balance exceeds the maximum amount he is authorised to retain, he shall send with his account, a cheque for the amount of the excess.

(3) Where a sub-treasurer operates a bank account, he shall submit together with his returns a copy of the bank statements from the bank showing the balance in the account at the end of the month.

(4) The balance in the account shall be reconciled according to the format determined by the Accountant-General, with the figure shown in the cash book at the same date by adjustment for cheques not yet presented and lodgements not yet credited.

(5) The Accountant-General shall on receiving a sub-treasurer's cash book and other documents, check them against the allocations and the supporting vouchers and any item insufficiently accounted for shall be disallowed.

(6) Any item disallowed shall remain with the balance of the account as a charge against the sub-treasurer and if it is not properly vouched or justified within a reasonable time, it shall be treated as a shortage of public money.

(7) After they have been checked, the accounts of a sub-treasurer or any other accounts shall be processed for the month to which they relate.

Deposit accounts.

103. (1) Deposit accounts shall be opened only by the Accountant-General.

(2) Subject to sub-regulation (3) shall be responsible for the keeping of books which relate solely to the Treasury or which are the responsibility of any other department or office.

(3) A vote controller shall be responsible for the keeping of proper accounts in his department or office but the Accountant-General may investigate and take necessary action to deal with any deposit account which becomes overdrawn or has been dormant for any considerable period or which has not been reconciled within the treasury accounts.

(4) The following accounts shall be maintained in respect of deposits-

(a) a control account for each category of deposits which shows at any time the total balance outstanding in respect of deposits of that category; and

(b) an individual account for each depositor, which shows at any time the details of the transactions on that account and the balance outstanding.

104. (1) The balances on individual deposit accounts as at Reconciliation the end of the financial year shall be listed and reconciled with the balances on the relevant control accounts.

(2) In the case of deposit accounts maintained by vote controllers, copies of the reconciliations shall be sent to the Accountant-General for agreement with the Treasury records, and to the Auditor-General.

(3) In the case of deposit accounts maintained solely in the Treasury, a copy of the reconciliation shall be supplied by the Accountant-General to the Auditor-General.

105. Whenever an authorising officer receives a claim for the refund of a deposit, he shall satisfy himself that the Claim of refund.

- (a) the purpose for which the deposit was taken has been fulfilled; and
- (b) the person claiming the deposit is the original depositor or is otherwise entitled to the refund.

Accounts of other Governments, etc.

106. The Accountant-General shall ensure that the accounts of other Governments and bodies with the Government are reconciled monthly and that a subsidiary register is maintained which shows details of the outstanding transactions making up the balance on the account of the Governments or bodies.

Investment register.

107. (1) The Accountant-General shall maintain a register called "investment register" which shall show full details of all securities and investment purchased by the Government, including the dates and prices of purchases and sales, dates on which interest or dividends are due and received and dates of maturity.

(2) Securities and investments shall be revalued as at the last working day of every financial year at the middle market price quoted on that day in the main market in which they are traded and agreed with the balance on the investment account in the investment register.

(3) Valuations of unquoted stocks shall only be obtained from a reputable stock broker.

Register of loans.

108. (1) The Accountant-General shall maintain a register which shows details of all loans raised by Government and other forms of public debt.

(2) The register shall also show, in respect of each item of public debt—

- (a) its term and designation;
- (b) the amount raised in local currency and also, if appropriate, the currency of issue;

- (c) the authority under which the loan was raised or the debt incurred;
- (d) the terms on which it was issued including the dates on which payments of interest are due;
- (e) which payments of interest are due; and
- (f) the date of redemption and the sinking fund contributions, if any.

109. (1) The Accountant-General shall prescribe standard Forms and vouchers required for accounting procedures.

(2) Special forms or vouchers for use in individual departments or offices shall only be used after authorisation by the Accountant-General and the concurrence of the Auditor-General.

110. (1) Accounting records in the form of loose-leaf sheets, cards or electronic storage shall be introduced only after authorization by the Accountant-General.

(2) Loose-leaf sheets or cards shall be given printed serial numbers and shall be treated as accountable documents.

(3) The receipt and issue of cards shall be controlled through a register which shows the location of each card in use and the unused cards remaining on hand.

(4) The officer maintaining the register and the stock of sheets and cards, (who shall not use the documents for accounting purposes) shall initial each card as it is issued.

(5) Loose-leaf sheets and cards which get spoilt shall not be destroyed but retained for audit examination.

111. (1) The Accountant-General shall issue instructions to Preservation controllers prescribing the precautions to be taken in particular cases to safeguard accounting records and documents.

(2) The Accountant-General shall ensure that all receipts and payment vouchers lodged with the Treasury are properly and securely bundled and that the receipts and vouchers and all other accounting documents are kept in an orderly manner so as to be available when required.

Destruction of accounting records.

112. (1) All classes of accounting books and records shall be carefully preserved and shall, subject to this regulation, not be destroyed without the approval of the Accountant-General and the concurrence of the Auditor-General.

(2) Accounting books and records shall generally be retained for the following periods:-

	<i>Type of record</i>	<i>Duration</i>
(a)	Departmental copies of receipts, licences, payment vouchers, cash books;	3 years
(b)	Stores receipt and issue vouchers;	3 years
(b)	Treasury copies of receipts, receipt vouchers, licences;	7 years
(c)	Original payment vouchers, used cheques;	7 years
(d)	Abstracts, subsidiary records, stores, ledgers, journals.	7 years
(e)	Treasury main cash books, ledgers, loan and investment registers.	Indefinitely
(f)	Establishment and salary records which may be records required for determining officers and widows' pensions and other terminal benefits.	Indefinitely

(3) Vote controllers who wish to destroy departmental accounting records shall submit three copies of the lists of documents concerned to the Auditor-General, who if he has no objection to the destruction shall so state on two copies of the list and forward them to the Accountant-General for approval.

(4) If the Accountant-General approves the destruction of the documents he shall so state on one copy of the list and return it to the vote controller.

(5) The vote controller shall, after destroying the documents inform the Accountant-General and Auditor-General in writing, and shall retain his copy of the list as his authority for the destruction.

PART IX - CUSTODY AND SECURITY OF PUBLIC MONEYS STRONGROOMS, SAFES AND STRONGBOXES

113. (1) Strongrooms, safes or strongboxes provided for the safe custody of public moneys and valuables in departments and offices in which such moneys or valuables are received and retained either temporarily or permanently shall be fitted with two different locks, the keys or combinations of which shall be held by the vote controller and the Accountant.

(2) The Accountant-General shall determine the necessity for a strongroom, safe or strongbox in a department or office.

(3) A vote controller shall report to the Accountant-General if he is not satisfied that adequate facilities are available in his department or office for the proper and safe custody of public moneys and valuables.

114. (1) An officer holding the key to or combination of a Protection of security facilities.

(a) retain the key in his personal possession and ensure that it is properly safeguarded at all times; or

(b) ensure that the combination is known only to him and not divulged to any other person.

(2) An officer shall, when operating the combination do so in such a manner that it cannot be read off by another person.

Spare or duplicate keys, etc.

115. (1) Subject to this regulation, no spare or duplicate key or written record of a combination shall be retained.

(2) Spare or duplicate keys or a written record of the combination of strongrooms, safes and strongboxes other than those used for the storage of classified material shall be placed in an envelope which shall endorsed "Duplicate key/combination of a strongroom, safe, strongbox No."

(3) The officer holding the key or combination shall seal the envelope personally with his personal seal or by signing and dating across the sealed flap in such a manner that the envelope cannot be opened without disfiguring the seal or signature.

(4) The envelope shall, after the signing or sealing, be deposited with the Accountant-General who shall enter the deposit in a register which shall show the strongroom, safe or strongbox number, its location, the maximum overnight holding, the name and designation of the key or combination holder and the date of the deposit.

(5) The Accountant-General shall issue an appropriate receipt to the depositor and retain the envelope under maximum security in his own strongroom.

(6) The duplicate keys or written record of the combination of the Accountant-General's own strongroom shall be deposited in a bank approved by the Accountant General.

Hand-over of strong-room, safe or strong box.

116. (1) Combinations of a strong room, safe or strongbox shall be changed on the handover of the strong room, safe or strongbox or every six months, whichever is earlier.

(2) Duplicate keys shall be changed every six months.

117. (1) The Accountant-General shall release the envelope containing the duplicate key or record of the combination only on the surrender of the receipt which he gave for it, noting the date of the release in his register.

(2) The holder of a key or combination shall, on receiving the envelope, check that the seal has not been tampered with in any manner; the other key or written record of the new combination shall be deposited in accordance with regulation 115.

118. (1) Every vote controller shall keep a record of Record of strongrooms, safes and strongboxes which are on premises occupied by his department or office.

(2) The record shall show in respect of a strongroom, safe or strongbox -

- (a) its location;
- (b) the name and designation of the holder of the key or combination;
- (c) the dates on which the vote controller took over and handed over responsibility for the strongroom, safe or strongbox respectively; and
- (d) a record of the withdrawal of duplicate keys or written combination pursuant to regulation 117.

119. (1) A change of the holder of a key or combination shall only be effected by the vote controller concerned, who shall notify in writing the change to the Accountant-General with a copy to the Auditor-General.

(2) At the beginning of every financial year, every vote controller shall submit to the Accountant-General, with a copy to the

Auditor-General a return showing the make, type, maker's reference number and location of each strongroom, safe or strongbox in his department or office.

(3) Where a strongroom, safe or strongbox having two different locks is handed over, the vote controller shall ensure by examination of the register, that the officer taking over has never held the key of the other lock and if such a situation cannot be avoided, the lock of the strongroom, safe or strongbox shall be changed.

Loss of keys
to strong
room, etc.

120. (1) If the holder of a key to a strongroom, safe or strongbox loses his key, he shall immediately report the loss to his vote controller who shall report the loss to the Police and the Accountant-General.

(2) The Accountant-General shall, on receiving a report of the loss of a key, make arrangements for the lock to be changed immediately.

(3) If it is not possible to change the lock immediately, the Accountant-General shall arrange for the duplicate key to be withdrawn by the holder of the key and the contents of the strongroom, safe or strongbox removed under proper security to other safe custody, until the lock is changed.

(4) If the holder of the key has good reason to suspect that his key has been exposed to copying or otherwise compromised, he shall take action pursuant to sub-regulation (3).

Responsibility
for loss of
keys.

121. Where the lock of a strongroom, safe or strongbox needs to be changed because of the loss of a key or because it has been compromised by the fault of the holder of the key, the holder shall be charged with the cost of changing the lock and of providing new keys.

Safes to be
secured and
locked.

122. (1) Vote controllers shall ensure that all safes on premises for which they are responsible are secured by being built into the wall of the building or by otherwise being securely attached to the structure.

(2) Except where strongboxes need to be moved from place to place, they shall be secured by being bolted to the structure, access to the bolts being inside the strongbox.

(3) Strongrooms, safes and strongboxes shall be kept locked at all times, except during the actual process of depositing or withdrawing public moneys or otherwise.

(4) When a strongroom, safe or strongbox is open, the officer in whose charge it is shall take every precaution to ensure that no other person has access to its contents.

123. (1) All public moneys and valuables received by a public officer and all public moneys retained in his custody shall be deposited as soon as possible in a strongroom, safe or strongbox pending their payment into the Treasury or bank or being otherwise properly disposed of.

(2) No public moneys except a temporary imprest shall be retained in the possession of a public officer other than in a strong room, safe or strongbox.

(3) Any loss of public money brought about by the negligence of the public officer shall be the responsibility of such officer.

124. No public officer shall keep or allow to be kept in a strongroom, safe or strongbox under his charge private money or valuables or any money or valuables other than those which he is bound to receive and account for by reason of his public office.

125. (1) The Accountant-General shall determine the maximum amount of public money and where appropriate, the limitation of valuables, to be retained in a strongroom, safe or strongbox overnight.

(2) If the maximum amount of money is likely to be exceeded, the excess shall be placed in a locked or sealed secure container and temporarily deposited in a strongroom or safe of a higher security grading, and a receipt shall be obtained from the holder of the key to the strongroom or safe for such deposit.

- (3) In exceptional circumstances where large amounts of money are involved, a report shall be made to the Accountant-General who may arrange for the strong room or safe to be placed under police guard.
- (4) No direct payments may be made from a strongroom safe or strongbox.
- (5) When not in use, the following items shall be kept in a strongroom, safe or strongbox-

- (a) cash, including cheques and other instruments of payment;
- (b) the main and sub-stocks of stamps;
- (c) cheque books;
- (d) cash books;
- (e) revenue receipt books of any description;
- (f) special clamps, dies, seals;
- (g) any other official valuables; and
- (h) a register which shows in as much detail as is practicable the contents of the strongroom, safe or strongbox at any given time.

126. (1) Vote controllers shall arrange for surprise inspections of the contents of strongrooms, safes and strongboxes in their Departments or offices.

Surprise inspections of strong rooms, etc.

(2) The inspections shall be conducted at irregular intervals but at least once every three months.

(3) The officer conducting the inspection shall report to the vote controller concerned any discrepancies, deficiencies or irregularities which he finds and any case in which he considers the safe custody facilities to be inadequate.

(4) The results of each inspection shall be recorded in the register of surprise inspections by the officer conducting the inspections.

(5) Whenever possible, inspections conducted under this regulation shall be carried out together with the surprise checks referred to in regulation 64.

127. (1) The vote controller concerned shall be responsible for the security of cash in transit.

(2) Pursuant to sub-regulation (1), adequate escort shall be provided and other precautions taken such as varying the route taken or the times of collection or paying-in.

Security of cash in transit.

(4) Where appropriate, the vote controller shall seek the advice of the Inspector-General of Police on the nature of the security precautions to be applied in particular cases.

PART X-BANK ACCOUNTS AND CHEQUES, ETC.

128. Subject to the instructions of the Minister, the Financial Secretary may appoint one or more banks in Sierra Leone to be bankers to the Government for the custody of public moneys and other official funds and for the transaction of official banking business.

Appointment of bankers to Government.

129. (1) No public officer shall, except with the authority of the Accountant-General, open a bank account for the deposit, custody or withdrawal of public moneys or other moneys for which he is responsible as a public officer or for the transaction of official banking business.

Accountant-General to authorise opening of banks accounts.

(2) The authority of the Accountant-General shall be conveyed in writing to the officer concerned and copied to the Financial Secretary and the Auditor-General.

130. (1) The Accountant-General shall determine the maximum balance to be held in any official bank account.

Determination of maximum balance in bank accounts.

(2) If at any time the balance is likely to be exceeded, the officer operating the accounts shall consult the Accountant-General on the action to be taken.

Overdrawing of bank accounts prohibited.

131. (1) No public officer shall overdraw an official bank account or obtain any advance or loan from a bank for official purposes without a written authorisation of the Accountant-General.

(2) An authorisation under sub-regulation (1) shall be conveyed in writing to the officer concerned and copied to the Financial Secretary and the Auditor-General.

(3) No private cheque shall be cashed through official bank accounts and no private money shall be deposited in such accounts.

Nomination of officers to sign cheques.

132. (1) Subject to regulation 133, vote controllers shall nominate officers who will sign cheques drawn on bank accounts for which the vote controllers are responsible.

(2) The names and designation of the officers and their specimen signatures shall be sent to the bank where the account is held and copied to the Accountant-General and Auditor-General.

(3) The procedure set out in sub-regulation (2) shall be followed in the case of a change of signatories.

Issuance of cheques.

133. (1) Unless an open cheque is specifically requested by the payee, all cheques drawn on official bank accounts shall be crossed.

(2) All cheques shall be signed by two officers one of whom shall be the vote controller or person deputising for him.

(3) Electronic signature shall be permissible in accordance with any enactment.

(4) Every officer signing a cheque shall satisfy himself that the cheque is correctly drawn and that the payee and the amount correspond with the details of the bill or voucher in respect of which

it is in payment and that the details of the counterfoil agree with those on the cheque; and the counterfoil shall be initialised by the officer.

(5) No officer shall sign any cheque which has not been fully completed in all respects.

134. Cheques which are not crossed shall be treated as if they were payments in cash and such cheques shall, if they are remitted by post, be sent to the payee under registered cover. Cheques not crossed.

135. (1) In the event of cheques issued by a department or office being reported lost or mislaid before they are cashed, the bank shall be immediately advised to stop payment of the cheque; such advice shall be acknowledged by the bank. Lost or mislaid cheques.

(2) The payee shall be requested to provide a written indemnity against any loss being sustained by the Government because of the missing cheque and he will then be issued with a replacement cheque.

(3) If the original cheque is found before a replacement cheque is issued, the bank shall be required to lift the stop order.

(4) If the original cheque is found after a replacement cheque is issued, it shall be immediately cancelled.

136. Government cheque books or forms shall be examined immediately they are received from the bank to ensure that no cheques are missing and the examination shall be done by a responsible officer who shall initial and date the reverse of the last counterfoil in each cheque book or form in a series as evidence that the examination has been made. Examination of Government cheques books.

137. (1) Cheque books not required for immediate issue shall be stored in a strongroom, safe or strongbox. Storage of cheques.

(2) Cheque books currently in use shall be stored in a strongroom, safe or strongbox overnight.

(4) If an officer is, for any reason, unable to serve on the Board he shall notify the appointing authority of his inability stating the reason for it; and if the appointing authority is satisfied he shall appoint another officer in his place.

141. (1) A Board of Survey shall conduct a survey at the end of every financial year and additionally as the Accountant-General or vote controller may determine, on-

- (a) the cash and bank balance and stamp stocks of the Treasury or department or office as the case may be; or
- (b) such other cash and bank balances as the Accountant-General or vote controller may consider necessary.

(2) A member of a Board of Survey shall not have any direct responsibility for the balances of stocks which they are required to survey.

(3) A Board of Survey shall meet to carry out its duties at such times as the members may agree on.

(4) Where a Board of Survey decides to conduct a surprise survey the time for such check shall be kept confidential and not communicated to any other person.

(5) The officer responsible for the balances or stocks to be surveyed shall be present at all times whilst the Board of Survey is carrying out its duties.

(6) The chairman and member of a Board of Survey shall, in order to avoid blame for any shortage, ensure that on no occasion are they left alone with the cash balances or stamp stocks.

142. (1) A Board of Survey shall count all cash and stamps on hand in the Department or office being surveyed, including the contents of strongrooms, safes and strongboxes.

Safe custody of counterfoil of cheques.

138. Counterfoils of all cheques issued and paid cheques returned by the bank shall be retained in safe custody for examination by the Accountant-General when necessary.

Reconciliation of bank accounts.

139. (1) The balance of every bank account as shown in a bank statement shall be reconciled with the corresponding cash book balance at least once every month, and the reconciliation statement shall be filed or recorded in the cash book.

(2) Reconciliations referred to in sub-regulation (1) shall be carried out when responsibility for any bank account or cheque book is handed over from one officer to another and shall be signed by both officers.

(3) Reconciliations referred to in sub-regulation (1) shall also be carried out on the occasion of any surprise inspection or survey.

(4) Reconciliations for departmental bank accounts shall be reviewed by the vote controller and in the case of a Treasury Bank Account by the Accountant General, every month.

(5) Copies of reconciliation of all accounts other than those of the Treasury shall be sent to the Accountant-General.

Appointment of Board of Surveys.

140. (1) The Accountant-General or a vote controller may appoint a body to be known as a Board of Survey.

(2) A Board of Survey shall consist of at least two officers one of whom shall be designated as the chairman by the appointing authority.

(3) The Accountant-General or vote controller appointing a Board of Survey, shall notify the members of their appointment in writing; a copy of such notification shall be sent to the Accountant-General (in the case of appointments by vote controllers), the Auditor-General and the Financial Secretary.

(2) The cash and stamps shall be counted in detail: except that in the case of a survey of the main stocks of currency and stamps, boxes, bags or packets of currency notes, coins and stamps may be accepted if the Board of Survey is satisfied that the seals of the issuing authority or other original suppliers are unbroken.

(3) The balance of cash on hand shall be reconciled with the balance of the relevant cash book, and the stock of stamps reconciled with the stamp stock book.

(4) The chairman of a Board of Survey shall report any significant discrepancy immediately to the appointing authority.

Reconciliation
of bank
balances

143. (1) A Board of Survey shall, when conducting a survey involving bank balances, reconcile the bank balance shown in the cash book with the balance shown in the latest bank statement on hand, listing un-presented cheques, credits not accounted for and other adjustments, all of which shall be attached to the Board's report under regulation 144 in support of the reconciliation.

(2) The chairman of a Board of Survey shall, pursuant to sub-regulation (1), request the officer responsible for the bank account to ask the bank to send direct to the chairman, a bank statement and bank certificate of balance at the close of business on the working day immediately previous to the date of the survey.

(3) The Board of Survey shall, on receiving the documents submitted by the bank, carry out an up-to-date reconciliation of the latest bank balance using any information noted during the survey.

Board of
survey to
submit report.

144. (1) A Board of Survey shall, within 15 days of completing the survey, submit a report to the appointing authority and in the case of a Board appointed by a vote controller, to the Accountant-General and the Auditor-General in which shall be included any discrepancies observed in sub-regulation (1) of regulation 142 and the explanation, if any, for the discrepancy given by the officer responsible for the balances and stocks.

(2) The report shall be prepared on the form prescribed by the Accountant-General and signed by all the members of the Board of Survey; any attachments to the report shall be similarly signed.

(3) Without prejudice to sub-regulation (1), the report shall include any comment on matters arising from the survey which the Board of Survey may consider relevant.

145. (1) Vote controllers shall ensure that on every occasion on which cash, stamps, receipt books or keys are handed over from one officer to another, the hand-over is conducted in such a manner that there is no doubt or ambiguity as to the items handed over and taken over.

(2) Every officer making a hand-over shall ensure that all cash books, registers or otherwise are fully entered and balanced to the date of the hand over, ruling off the books after the last entry.

(3) Every officer making a hand-over shall prepare in quintuplicate a hand-over statement fully and correctly listing all balances, documents or otherwise in his possession which he is required to hand over.

(4) The hand-over statement shall record the following items if applicable:—

- (a) cash and bank balances in words and figures;
- (b) the serial numbers of all fixed tickets;
- (c) the serial numbers of all unused, partly used and completely used receipt and licence books;
- (d) details of strongrooms, safes and strongboxes and their keys and duplicates,

- (e) the quantities and descriptions of sealed packets and other articles of value;
- (f) any official seals, dies or stamps;
- (g) titles of books, regulations, rules or instructions; and
- (h) references of files and similar official documents.

Duties of officer taking over. 146. (1) The officer taking over shall check that all items listed in the statement are produced and handed over to him and that the items agree with the balances, stocks or otherwise, shown in the relevant cash books and registers.

(2) The officer taking over shall, where applicable—

- (a) check carefully and in detail all cash, fixed fee tickets and receipt books, comparing them with the balances and stocks in the relevant cash books and registers;
- (b) check all entries and additions in the cash books since the last payment to the Treasury or bank and verify that all receipts issued subsequent to that payment have been brought to account;
- (c) if a bank account is operated, call for a bank statement and reconcile the bank balance with the relevant cash book;
- (d) check the balance of any standing imprest with the imprest account and ensure that the total of cash on hand and completed vouchers agree with the amount of the imprest;

- (e) ensure that the keys handed over to him operate the locks which they purport to operate and that the locks and keys are in good order;
- (f) ensure that duplicate keys have been properly deposited and that the strongrooms, safes and strongboxes comply with the provisions of these Regulations;
- (g) check that sealed packets are in fact sealed and that they and other items of value comply with their descriptions in the strongroom, safe or strongbox register;
- (h) enquire into the omission from the handing-over statement of any items which on the basis of his experience he would normally expect to receive in connection with the duty which he is taking over.

(3) If the officer taking over is satisfied as to the correctness of the handing-over statement, he shall sign a bold line below the last entry and across any unused part of the statement; all copies of the statement will then be signed and dated by both the officer handing over and the officer taking over.

(4) If the statement comprises more than one sheet every sheet shall be signed and dated by both officers.

147. On completion of the hand-over, the officers handing over and taking over respectively shall each retain one copy of the handing-over statement; one copy shall be submitted to the vote controller concerned (or in the case of a handing-over between outgoing and incoming vote controllers, to the Accountant-General) with a copy to the Auditor-General.

illness or absence of officer.

148. (1) Where as a result of illness or any other cause an outgoing officer is unable to hand over his duties and responsibilities in person, he shall hand over the keys of the strongroom, safe and strongbox in his custody to the vote controller concerned by hand under sealed personal cover.

(2) The vote controller shall, pursuant to sub-regulation (1) appoint a handing-over board consisting of at least two officers who shall, on behalf of the outgoing officer, jointly perform the handing-over duties prescribed in this Part.

(3) If the holder of a key is unexpectedly absent from a duty which cannot be held in abeyance until his return the procedure prescribed in sub-regulation (2) shall apply.

(4) If for any reason, an incoming officer considers that the state of the records, balances, security or otherwise is such that he cannot conscientiously take them over, he shall immediately seek oral instructions from the vote controller concerned and promptly submit to the vote controller, with copies to the Accountant-General and Auditor-General, a full report of the circumstances of the case.

Shortages and discrepancies found during handing over.

149. (1) If during the handing-over, shortages or discrepancies are noted between the balances or stocks of cash, receipt books or other accounting documents being handed over and those recorded in the relevant cash books and registers, the full facts relating to the shortage or discrepancy shall be recorded in detail in the handing-over statement together with the explanation of the shortage or discrepancy given by the officer handing over.

(2) Where the shortage or discrepancy is significant, the officer taking over shall report immediately to the vote controller concerned (or in the case of a handing-over between outgoing and incoming vote controllers, the Accountant-General) who shall investigate the shortage or discrepancy and a report of such investigation shall be submitted to the Accountant-General with a copy to the Auditor-General.

150. (1) If in the course of performing his duties an officer discovers any loss or shortage of public moneys, fixed fee receipts or licences, stores or other government property, he shall immediately report orally to his senior officer who shall in turn report orally to the relevant vote controller.

Discovery of loss or shortage of public moneys, fixed fee receipts or licences, stores or other government property, he shall immediately report orally to his senior officer who shall in turn report orally to the relevant vote controller.

(2) The initial oral report shall be followed immediately by a written report to the vote controller describing the nature, amount and circumstances of the loss or shortage.

(3) The vote controller shall, on receiving the report pursuant to sub-regulation (1), submit a report thereon to the Accountant-General and Auditor-General; and if the loss or shortage is of a large or unusual nature, a copy of this report shall also be submitted to the Financial Secretary.

(4) No officer shall withhold the report of a loss or shortage or defer such report to enable investigations to be made, even though restitution may have been made.

(5) The vote controller shall, immediately on receiving the report of the loss or shortage, arrange for an investigation to be conducted.

(6) Without prejudice to sub-regulation (5), where the vote controller suspects that misappropriation, theft or fraud is involved, he shall make an immediate report to the Police.

151. (1) The vote controller shall, after investigating the loss or shortage, submit a report thereon to the Accountant-General with a copy to the Auditor-General.

Vote controller to report to Accountant-General.

(2) The report, which shall bear the signature of the vote controller, shall state-

(a) the nature of the loss or shortage and amount involved;

(b) the place, and if known, the date on which the loss or shortage occurred;

- (c) the date, and if applicable, time of discovery of the loss or shortage;
- (d) the exact circumstances in which the loss or shortage arose;
- (e) whether the loss or shortage was the result of a failure to observe current accounting instructions;
- (f) whether the loss or shortage was due to a fault in the accounting system;
- (g) whether the loss or shortage was discovered as a result of an internal check and if not, why the internal check failed to reveal it;
- (h) whether misappropriation, fraud, negligence or other irregularity was involved;
- (i) the name and designation of the officer considered to be responsible for the loss or shortage;
- (j) whether the officer involved or responsible has made good the loss or shortage;
- (k) whether the officer's suspension or interdiction from duty is recommended; why not;
- (l) whether disciplinary or surcharge action is recommended and against whom and if not why not;
- (m) whether the loss or shortage was reported to the Police (if so, the Police report shall be attached); and
- (n) the measures taken or recommended to prevent the recurrence of a similar loss or shortage.

152. (1) The Accountant-General shall, on receiving the report, immediately open an advance account in the name of the controller, debiting the account with the amount of the loss; such account shall remain in the name of the vote controller unless responsibility for the loss or shortage has been finally established by the Financial Secretary and other officer under these Regulations.
- (2) An advance account shall not be closed until it is cleared by equivalent credits derived either from recoveries from the officer responsible or by journal entry; the corresponding entry shall be brought to the appropriate expenditure item for "losses and write-offs" after authority has been given for the write-off.
153. (1) Without prejudice to regulation 152 and subject to this regulation, the Accountant-General shall, if after receiving the report he thinks that the circumstances so justify, appoint a Board of Enquiry to investigate the loss or shortage.
- (2) A Board of Enquiry shall consist of a chairman and two other members: the chairman shall be senior to the officer whose conduct may be called in question.
- (3) Where the case has been reported to the Police and criminal prosecution is pending, the appointment of a Board of Enquiry shall be deferred until such proceedings have been completed or discontinued.
154. (1) A Board of Enquiry shall meet at the time and place most suitable for its enquiry but shall hold its first meeting within seven days of its appointment.
- (2) A Board of Enquiry shall regulate its own proceedings and may take evidence from such persons as it considers appropriate but such evidence shall not be taken on oath.
155. (1) A Board of Enquiry shall, on completion of its enquiries, promptly submit a report thereon to the Financial Secretary with copies to the Accountant-General and Auditor-General.

(2) A report submitted under sub-regulation (1) shall include—

- (a) a statement of the amount and nature of the loss or shortage and if the amount cannot be established precisely, the estimated amount and the basis on which the estimate has been made;
- (b) an opinion on whether the accounting system or its application was at fault, together with recommendations for any corrective action which should be taken to prevent the recurrence of a similar loss or shortage;
- (c) whether the Police have been contacted or other legal action taken in respect of the loss or shortage, and if so, the details and outcome thereof;
- (d) an opinion on who, if anyone, was responsible for the loss or shortage, the degree of that responsibility and if more than one person was responsible, the apportionment of the blame; and
- (e) any other matters on which by its duties the Board may have been required to report.

Vote
controller to
report on
irrecoverable
amounts.

156. (1) A vote controller shall, in any case in which an overpayment occurs which cannot be recovered or in which revenue or other debt due to Government is uncollectable, submit a report to the Accountant General, with a copy to the Auditor-General.

(2) The report which the vote controller shall sign shall state—

- (a) the nature of the overpayment, revenue or other debt;
- (b) the name and designation of the officer who made the overpayment or is responsible for the failure to collect the revenue or debt.

(c) the amount involved, supported where appropriate, by detailed lists showing the names of the defaulters, the amounts outstanding in each case and in the case of revenue, the year in which it was due and the dates on which demands and reminders were dispatched;

(d) the reasons why the overpayment occurred or other debt cannot be recorded;

(e) the actions taken to recover the overpayment, revenue or debt, including any legal means taken, whether it is considered to have been adequate and any action taken by the vote controller;

(f) whether the overpayment or failure to collect arose from a failure to observe current accounting instructions or from a fault in those instructions or in the accounting system;

(g) whether the amount involved has been made good by the officer responsible;

(h) whether disciplinary or surcharge action is recommended and against whom, and if not why not; and

(i) the measures taken or recommended to prevent the recurrence of a similar overpayment or failure to recover revenue or debts.

(3) In the case of any loss, overpayment or failure to collect revenue or debts in which defects in systems, procedures or instructions appear to have been either wholly or partially responsible, the vote controller, Accountant-General or Financial Secretary, as appropriate, shall take necessary action to correct the fault.

(4) Any action to be taken under sub-regulation (3) shall not be deferred pending a decision on whether to write off the amount or recover it from the officer responsible.

Minister to
decide on
write-off, etc.

157. (1) The Minister may, in the light of the reports submitted under regulations 149 and 155 and the results of any Police or legal action, if any, decide whether the amount should be written off and whether disciplinary or surcharge action should be taken against the officer deemed to be responsible.

(2) The Minister's decision shall be communicated by the Financial Secretary to the vote controller concerned, the officer deemed to be responsible for the loss or shortage, the Accountant-General and the Auditor-General.

(3) Where it is decided that disciplinary action is to be taken against the officer deemed to be responsible, the matter shall be referred to the Public Service Commission.

(4) Where the officer is to be surcharged, the Financial Secretary shall determine the amount of the charge, taking into consideration the amount of the loss sustained by Government and the ability of the officer to pay without undue financial hardship.

Notification
of officer.

158. (1) The Financial Secretary shall, pursuant to sub-regulation (4) of regulation 157, notify the officer concerned, of the decision to surcharge him copying the notification to the relevant vote controller, the Accountant-General and the Auditor-General.

(2) The notification shall require the officer, within such period as the Financial Secretary shall determine (being not less than thirty days) to show cause why he should not be surcharged with the amount decided.

(3) The Financial Secretary shall on receipt of the reply confirm, reduce or remove the surcharge notifying the officer, relevant vote controller, Accountant-General and Auditor-General accordingly.

159. The amount of any surcharge shall be recovered as a civil debt due to Government and may be deducted from the salary or other amount due by Government to the officer concerned.

160. Any unauthorised or excess payment shall be treated as a loss or shortage of public money and the vote controller or other officer responsible for such loss shall be surcharged and proceeded against in accordance with these Regulations.

161. (1) Where accountable documents which do not have a predetermined value, such as miscellaneous receipts or invoice orders are lost, the loss shall be promptly reported to the Accountant-General and the Auditor-General.

(2) The vote controller shall, after the report is made, put a notice the form of which shall be approved by the Attorney General, in a newspaper advising traders and other members of the public not to accept documents of the serial numbers concerned.

(3) Where the loss of the documents was as a result of the negligence of an officer, the vote controller shall require the officer to bear the cost of the advertisement.

PART XI—MONITORING AND OVERSIGHT

162. The head of the Internal Audit Department of the Ministry shall set standards and develop instructions for internal audit units in other budgetary agencies, provide internal audit services in other agencies where units have not been established, and set professional standards for and enable the development of all internal audit staff.

163. (1) In any budgetary agency in which the Minister required an Internal Audit Division, Department or Unit (hereinafter called the Unit) to be set up in accordance with section 6 of the Act, the vote controller shall ensure that the Unit is appropriate to the needs of the agency and that it conforms to the standards of the Institute of Internal Auditors.

(2) The head of the Unit shall be responsible to the Minister for that budgetary agency through the vote controller, and shall be independent of the finance and accounting function of the agency.

(3) The Unit shall, before the commencement of each financial year—

(a) prepare an annual programme of audit based on an assessment of risks arising from the operations of the budgetary agency and the system of internal controls;

(b) finalise the programme after consultation with the vote controller and send a copy to the Chief Internal Auditor and the Auditor-General.

(4) The Unit shall carry out its programme in such a way as to minimise intervention and delay in the operations of the budgetary agency.

(5) The Unit shall review external audit queries and reports and management and structural reviews of the agency and draft responses for the vote controller's consideration.

(6) The head of the Unit shall report at least quarterly to the vote controller on his findings with recommendations on compliance with budgets and relevant laws and regulations, rectification of irregularities, the prevention of repetition, the greater cost-effectiveness of the operations of the agency, and actions taken by management in response to previous reports.

(7) Copies of reports shall be sent to the Chief Internal Auditor and the Auditor-General.

(8) The Chief Internal Auditor shall ensure that the status and powers of the internal audit function in each ministry, department and agency of Government conform to internationally accepted standards, in particular its independence from operational management and its access to information.

164. (1) The Minister may establish a Public Expenditure Establishment Tracking Unit in the Ministry to undertake a public expenditure and operation tracking survey and all persons affected shall cooperate in providing accurate accounts and information to the survey team on the budgeted and actual transfer of resources to service delivery units.

(2) On completion of the survey, the Public Expenditure Tracking Survey Unit shall, after consultation with the Chief Internal Auditor, Accountant General and Public Financial Management Reform Unit, make recommendations through the Minister to Cabinet to improve accountability, transparency and efficiency of transfer of resources.

(3) On Cabinet endorsement of recommendations, the Ministry shall set up a Steering Committee comprising senior representatives of the affected agencies and representatives of the Chief Internal Auditor, Accountant General, Public Financial Management Reform Unit and Auditor General, which shall adopt an action plan to implement the recommendations, showing what actions are to be taken, when and who is responsible for implementation and reporting back to the Steering Committee.

(4) The recommendations of successive surveys may be integrated into the action plan.

(5) Each affected budgetary agency shall prepare its own internal action plan to implement the recommendations and ensure that this is integrated within its strategic plan.

(6) The Public Expenditure Tracking Survey Unit shall ensure that the Steering Committee meets at least quarterly, monitor progress in implementation, and report to the Financial Secretary.

(7) Minutes of meetings of the Steering Committee shall be copied to the Auditor General.

165. (1) A vote controller, after consultation with the head of Vote his internal audit department and other relevant officers, shall respond to a report or management letter from the Auditor General and to relevant provisions of a Public Accounts Committee report within 30 days of receipt, explaining how each irregularity cited in the report or letter arose and the corrective action taken or to be taken, with copies to the Accountant General and Chief Internal Auditor. controllers to respond to audit reports and Public Accounts Committee reports and take corrective action.

(2) Failure to respond within 30 days or to take effective corrective action, including initiation of changes to strengthen systems, disciplinary action against culpable officers and recovery of public monies, shall be treated as financial misconduct.

Accountant-General to monitor responses and corrective action.

166. The Accountant General shall maintain a register of irregularities cited in reports of the Auditor General and Public Accounts Committee and monitor vote controllers' responses to irregularities in the management of their heads in accordance with regulation 165 and address matters requiring changes in government-wide systems.

PART XII-PUBLIC STORES

Inspection of stores.

167. (1) A vote controller shall appoint an officer to make regular inspection of stores for which the vote controller is responsible.

(2) The officer shall, after every inspection, submit a report to the vote controller stating-

- (a) the sufficiency of the stores;
- (b) the general condition of the stores and storage facilities;
- (c) any case of loss, shortage, leakage, damage, waste, deterioration or irregularity observed during the inspection,

and the vote controller shall take prompt and appropriate action to correct any defect or deficiency reported.

Inspection of stores records.

168. (1) A vote controller shall appoint an officer to make regular inspections of all stores records and to test comparisons made between physical stocks on hand and the ledger balances.

(2) The inspecting officer shall initial and date all entries inspected in the stores records and against the balances of the stocks which he has verified and submit a report on the extent of the inspection to the vote controller.

169. (1) A vote controller, in appointing officers under Officers to be regulations 167 and 168, shall not appoint officers employed in the particular unit or division of the stores for which the inspections are required to be made.

(2) All inspections shall, so far as is practicable be on a surprise basis and a record of the inspections shall be made in the Register of Surprise Inspections.

(3) All reports submitted by inspecting officers to the vote controller shall be filed and made available for inspection by officers from the Audit Service.

170. A vote controller shall, from time to time but on a quarterly basis every financial year, inspect stores and records to satisfy himself that the stores procedures and accounting are adequate and that they provide effective safeguards against error, loss, shortage, leakage, damage, waste, deterioration or irregularity.

171. (1) A vote controller shall arrange for regular examination Scales, by weights and measures inspectors, of all scales, weights and measures used in the stores to ensure that they function correctly and accurately.

(2) Where there are no qualified weights and measures inspectors, the examination may be made by making random tests with predetermined quantities.

172. (1) A vote controller shall appoint in writing the officer Appointment responsible for holding the keys of the Department's or office's store room of key holders.

(2) The provisions of these Regulations relating to the custody, safeguarding and lodging of duplicate keys of strong rooms, safes and strongboxes shall apply to the custody, safe keeping and lodging of keys to Government storerooms.

173. (1) A store keeper shall be responsible through his senior Duties of storekeepers officer to the vote controller for -

- (a) the checking, handling and proper storage of all stores received into his stores;
- (b) the checking, packing and dispatch of all stores from his store;
- (c) the correctness of his stock; and
- (d) the loss, shortage, leakage, damage, deterioration or waste of any stores in his charge.
- (2) The storekeeper shall -
- (a) verify the stock balance with the stores ledgers and bin or tally cards by systematic checks covering the whole store at least twice a year;
- (b) report promptly in writing to his senior officer any surplus or shortages or deteriorated, damaged, unserviceable or obsolete stocks, when the stock of any article is excessive and when any item of stock needs to be replenished;
- (c) examine frequently the locks of all doors, fastenings of windows and other security precautions and shall not permit the storeroom to remain open for any purpose during his absence;
- (d) not delegate the duty of locking up the storerooms to any other person;
- (e) not permit anyone to enter the storeroom except in his presence and shall not permit any stores to be removed from the storeroom without his knowledge and the production of a properly completed and authorised issue voucher;

(f) ensure that fire appliances and equipment provided for the protection of the stores are inspected and tested regularly and those found to be unserviceable or defective repaired or replaced.

174. (1) The storekeeper shall regularly inspect clothing and other stores which are prone to deterioration by dampness or ravages of insects; such stores shall not be placed on the floor of the storeroom, to deterioration, etc.
- (2) Containers holding fluids shall, wherever possible, be stored off the ground so that leakage may be more easily detected.
- (3) Petrol, kerosene, paints, explosives and other inflammable stores shall be stored separately and shall be kept in accordance with the recommendations of the manufacturer or the provisions of any enactment regulating such substances.
- (4) Valuables, readily movable and easily realisable items shall, wherever possible, be stored in a lockable cage or cupboard within the store.
175. (1) No issue shall be made from a new consignment whilst any stocks of a previous consignment remain on hand.
- (2) New stores shall be stored separately but adjacent to or behind old stocks.
- PART XIII—CLASSIFICATION OF STORES
176. For purposes of regulations 177 and 178 - "expendable stores" means stores of a consumable nature such as foodstuffs, medicines, nails or soap which, except for controls to ensure their use is kept within reasonable and economical limits, do not normally need to be accounted for once they have been issued for use;

"unexpendable stores" means stores such as furniture, equipment, computers, linen, machinery, tools or vehicles, which have a life span assigned to them and when they are worn out will still remain in being.

Recording of stores in ledgers. 177. Expendable and unexpendable stores shall be recorded in separate parts of the stores ledger or in separate ledgers.

Accountant-General to determine expendable stores. 178. (1) The Accountant General shall determine for each department or office the items of stores which can be regarded by it as expendable.

(2) The Accountant General shall, in making the determination, not only consider the nature of the item but also the extent of usage of the item so that full accountability is retained for large stocks and expensive stores even though they are expendable.

(3) Where small quantities of expendable stores of low value are received in departments or offices which do not maintain storage facilities, they may be issued for use without being first brought to account in a stores ledger; in which case the payment voucher or stores voucher shall be certified that the items were received and issued for immediate use.

(4) The procedure set out in sub-regulation (3) shall not be used to avoid normal accountability for more substantial items stores.

(5) Unexpendable stores shall, when issued, remain on inventory charge until finally disposed of by destruction, sale, write-off or otherwise.

Officer to receive and check stores. 179. (1) So far as possible, officers who receive and check stores shall not be the same officers who place the orders for such stores and authorise payment for the supplies

(2) An officer shall, after receiving stores, check with the consignment note, delivery note or otherwise, that all boxes, packages or other containers are intact, unopened and undamaged and he shall immediately open any stores that show signs of damage or of being tampered with, and the contents thereof checked in the presence of the persons making the delivery.

(3) Depending on the circumstances of each case, where stores are damaged or deficient, the officer receiving them shall either refuse delivery or enter the nature of the damage or deficiency on the consignment note, delivery note or otherwise and the officer shall promptly place all packages received in appropriate shelter and security.

180. (1) An officer shall, as soon as practicable after receipt of stores,--
 packages, etc
 to be opened
 after receipt.

(a) open all the boxes, packages or other containers and examine their contents;

(b) satisfy himself that the stores are in good condition, correct in quantity and of the required specifications; and

(c) sign on the receipt voucher for the quantity of stores received and record on the voucher or on any certificate attached to it the particulars of any stores deficient, damaged or broken,

and where possible the officer's check shall be witnessed and the certificate signed by another officer.

(2) The officer signing any certificate signifying that the stores have been received intact and in good order shall ascertain that they are actually intact and in good order before signing the certificate.

(3) Where the stores are damaged or less in the designated quantity, the officer receiving them shall promptly inform the supplier and the carrier, of the situation.

(4) Where there is likely to be a dispute in respect of the stores delivered, the officer shall report the matter immediately to his superior officer so that an enquiry may be instituted to determine who is responsible.

(5) Where there is loss to Government in respect of any delivery, any failure to comply with sub-regulation (4) shall be taken into account in apportioning blame for the loss.

Receipt of foodstuffs.

181. (1) Foodstuffs shall be examined immediately after they are delivered and those obviously unfit for consumption shall not be accepted.

(2) Where there is any doubt or dispute as to the fitness of the foodstuffs for consumption, the opinion of a medical officer or other competent person shall be immediately sought on the state of the foodstuffs.

Delivery of liquid fuels.

182. Where liquid fuels are being delivered in bulk into storage tanks, the tanks shall be dipped immediately before and after the delivery in the presence of the carrier and any quantity short-delivered shall be noted on the delivery note and payment made only for the quantity received.

Delivery of stores not physically checked.

183. (1) In the case of bulk deliveries of stores which cannot be physically checked on receipt such as quarry materials or bitumen, the officer receiving them shall ensure that the carrier provides a delivery note with each load showing clearly the weight delivered, a weighbridge receipt of the tare weight of the vehicle and the gross weight of the vehicle and load.

(2) The delivery note shall be used to check the total quantity supplied.

Receipt of stores to be brought on charge.

184. Without prejudice to regulation 177, all stores received shall be brought on charge in the stores ledger and shall be supported by the relevant receipts referred to in regulation 188.

Claims for deficiencies or damage.

185. (1) Where stores are received short or damaged in such circumstances that they cannot be immediately rejected—

(a) the bill shall be drawn on the bill or invoice shall be entered in the stores ledger charge and stores issued vouchers prepared for the deficient stores, or

(b) invoice shall be taken on stores ledger charge and stores issue vouchers prepared for the deficient or damaged stores,

and an entry made in a claims register maintained for that purpose.

(2) The stores issues voucher number shall then be recorded against the entry in the claims register and the claims register folio entered on the stores issue voucher.

(3) Subject to sub-regulation (5), claims for deficient or damaged stores shall be made to the supplier or his agent giving full details of the circumstances of the deficiency or damage.

(4) Until a claim has been settled, deficient or damaged stores (other than perishable items) shall be retained and kept separately from other stores so as to be available for inspection if required by the supplier or agent.

(5) No claims shall be made in respect of deficient or damaged stores the value of which do not exceed Le50,000 and such deficient or damaged stores shall be written off in accordance with this Part.

(6) No claim shall be considered to have been settled until the amount of the claim has been recovered in full, the deficient or damaged stores replaced or appropriate authority received to write off the claim.

(7) The settlement shall be recorded against the relevant entry in the claims register and the number and date of the receipt in respect of the recoveries, the stores receipt voucher (in the case of replacement) or the reference to the authority to write off the claim, shall be entered.

Return of re-usable containers. 186. (1) Containers in which stores have been delivered and which can be used again may be returned to the consignor for credit.

(2) The following factors shall be considered before a decision is taken as to whether a container should be returned -

- (a) whether the amount of credit justifies the cost of returning the container; and
- (b) whether the containers might be more profitably used by Government for some other purposes.

(3) Containers which can be returned shall be regarded as accountable stores items and stores ledger accounts shall be kept to record their receipt and disposal, the entries being supported by receipt and issue vouchers showing all the relevant details of the transactions.

PART XIV-STORES ACCOUNTING PROCEDURES

Interpretation. 187. For purposes of regulations 189 to 215, "unallocated stores" means stores which are accounted for by both quantity and value in a central store until issued.

Stores ledger. 188. (1) A stores ledger shall be kept in respect of every store to record for each item in stock, the quantity (and in the case of unallocated stores, also the value) of all receipts, issues and balances.

(2) A manual stores ledger shall be in bound form with each page bearing a printed serial number but the Accountant-General may, in writing authorise that stores ledgers be kept in loose leaf form using ledger sheets or cards, or in electronic form.

Separate folio for stores ledgers. 189. (1) A manual stores ledger, whether in bound or loose leaf form shall maintain a separate folio for each item in stock.

(2) The folio shall record -

(c) the unit or quantity in which issues shall be made;

(d) the maximum quantity of stock which shall be held;

(e) the balance at which provisioning action will be taken; and

(f) the minimum ordering quantity.

(3) Receipts shall be brought on charge for the units referred to in paragraph (c) of sub-regulation (2).

190. (1) Folios in a manual store ledger shall be indexed alphabetically and the index shall be amended whenever the totals and balance on one folio are carried forward to another folio.

(2) The completed folio shall contain a reference to the old folio and the old folio shall also contain a reference to the new folio.

191. (1) New stores ledgers shall be opened only when existing records have been fully completed and the folio numbers in the old ledgers shall be cross-referenced with the equivalent folios in the new ledgers.

(2) Any errors in the alphabetical arrangement of the records shall be rectified when opening a new stores ledger.

192. (1) Balances carried forward in new stores ledgers shall conform to the balances recorded in the old stores ledgers.

(2) If, for any reason, it is considered necessary to open new stores ledgers with balances based on the physical stocks on hand, the circumstances shall be reported to the Accountant General whose authorisation should be received before the new records are taken into use.

(3) Pursuant to sub-regulation (2), a Board of Survey appointed under regulation 140 shall carry out a full physical check of the stores balances, which shall constitute the opening entries in the new ledgers.

(4) Any shortages between the stores balances and the closing balances of the old ledgers shall be dealt with in accordance with these Regulations.

(5) All stores ledgers shall be ruled off, totalled and balanced at the end of each year and the balance carried forward to the next financial year.

193. (1) All entries in manual stores ledgers shall be made in typescript, ink or ballpoint pen.

(2) Entries of receipts and issues shall be made promptly, quoting the date, voucher number and other relevant details and entering the resultant balance after taking into account the receipts or issues so that at all times it correctly reflects the amount held in stock.

(3) No erasure or alteration shall be made to any entry in stores ledgers and any corrections thereto shall be made in accordance with these Regulations.

(4) If any amendment needs to be made in the stores ledger which arises from an error in a previous entry, the correcting entry shall be made immediately after the entry of the latest transaction.

(5) A reference shall be made to the ledger folio, the date and voucher number in respect of which the original error occurred and similarly a reference shall be inserted against the erroneous entry showing the folio date of the correcting entry.

194. (1) Except in small stores where the storekeeper is responsible both for the custody of the stocks and the maintenance of the stores records, in addition to the stores ledgers, a bin or tally card shall be kept in respect of each item of stock.

(2) Receipts and issues of stores shall be supported by vouchers which can be readily identified in sequence either by the printed serial number on the voucher form or by being numbered consecutively by the receiving or issuing store as appropriate.

195. (1) All receipts and issues of stores shall be supported by vouchers which can be readily identified in sequence either by the printed serial number on the voucher form or by being numbered consecutively by the receiving or issuing store as appropriate.

(2) Receipt vouchers shall, when received, be given a serial number running consecutively through the year and suffix with the year concerned such as 1/07, 2/07.

(3) Issue vouchers shall be used in the sequence of the serial numbers which they bear.

196. (1) Stores vouchers shall be prepared in typescript, ink Preparation or ballpoint pen and good carbon paper shall be used to ensure that all copies are legible.

(2) All relevant details, authorities and references shall be entered on the stores voucher and no alteration of figures or erasures shall be made thereon.

(3) Any correction of errors on stores vouchers shall be made by striking out the erroneous figures and writing the correct figures above them.

(4) Corrections made under sub-regulation (3) shall be initialled by both the issuing and receiving officers.

(5) Where it becomes necessary to cancel any stores voucher, all copies thereof shall be retained in the book.

197. (1) When an officer requires supplies from another store or when a store requires supplies for another store, they shall be applied for on a stores requisition form which shall be signed by an officer authorised in writing by the vote controller concerned to do so.

(2) The original copy of the stores requisition form shall be submitted to the officer in charge of the store from which the supplies are required and if the officer is satisfied that the requisition is in order and that the stores are in stock, he shall prepare an issue voucher showing the items and quantities to be issued, and sign the voucher as authority for the issue of the stores.

(3) The stores requisition form shall be attached to a copy of the issue voucher.

(4) In the case where a combined requisition and issue voucher is used, the quantities issued shall be entered in the relevant column of the requisition form which shall then serve as an issue voucher.

(5) Officers who prepare and sign stores issue vouchers shall ensure that no blank spaces are left in which further unauthorised issues could be inserted later and they shall draw a diagonal line across any space remaining after the last item on the voucher.

(6) The quantity of each item in a stores issue voucher shall be written in words and figures.

(7) The stores issue voucher shall be posted to the stores ledger and the folios of the stores ledger to which the issues have been posted shall be recorded against each item on the voucher and the serial number of the voucher entered against the relevant entry in the stores ledger.

(8) The balance column of the ledger shall be completed so that it continues to record correctly the balance which will remain in stock when the issue has been made.

198. (1) The recipient of stores shall not amend a voucher issued by another store and if he finds a discrepancy in the voucher he shall return it, qualifying his receipt and drawing attention to the discrepancy in a memorandum or in appropriate cases by the issue of a discrepancy note.

(2) When the quantity on the issuing store has been checked against the Posting of receipt vouchers and the vouchers given a serial number, each item shall be posted to the appropriate folio of the stores ledger.

199. (1) When the quantity on the issuing store has been checked against the Posting of receipt vouchers and the vouchers given a serial number, each item shall be posted to the appropriate folio of the stores ledger.

(2) The number of the stores ledger folio to which each item has been posted shall be entered on the receipt voucher against the item concerned and the vouchers then filed in order of the serial numbers given to them.

PART XX—UNALLOCATED STORES

200. (1) An account shall be opened in the appropriate head of Accounting for expenditure to which shall be debited the cost of unallocated stores.

(2) When stores are issued to a job, project, department or office, an appropriate revenue item under the same head shall be credited with the value of the stores so issued, the contra debit being to the appropriate account for that job, project, department or office.

(3) If stores are sold for cash (such as to contractors under the terms of their contracts), only the actual stores sold shall be credited to the revenue item for the store and any on-costs charged in accordance with regulation 227 shall be credited to a separate revenue item.

201. (1) The value of unallocated stores for purposes of Calculation of accounting shall be the total cost of acquiring the stores including all value of unallocated stores. freight, insurance, handling and transportation charges.

(2) The total cost shall be debited to the unallocated stores account and brought into calculation to determine the issue price of the stores.

(3) No expenditure shall be charged against unallocated stores account which is not taken into account in the costing of the value of the stores and arbitrary additions to the value of stores shall not be made to cover undefined general stores expenses.

Maintenance of stores received book.

202. (1) A storekeeper shall, in each unallocated store, maintain in addition to the unallocated stores ledger a stores received book in which he shall enter all items received, quoting the date of receipt and the serial number of the receipt voucher.

(2) No stores purchased from an unallocated stores account shall be issued for use without first being entered in the stores received book and without being taken on charge in the unallocated stores ledger.

(3) Full details of the cost of the items including invoice price, freight, insurance, handling and transportation charges shall be entered in the stores received book as the various bills and charges come on hand, and the cost of the items shall be calculated by taking the charges into consideration.

(4) Where composite charges are raised covering more than one item, the cost shall be apportioned between the items *pro rata* to the invoiced prices of the items.

(5) The total of the costs and charges taken to account in the stores received book shall be reconciled every month with the expenditure shown in the unallocated stores account.

Calculation of issue price of unallocated stores.

203. (1) Except where a department or office has been authorised to adopt a fixed price list, the issue price per unit of quantity of each stores item shall be determined by dividing the total cost of acquiring the stores as set out in sub-regulation (1) of regulation 201 by the number of units of quantity.

(2) Where any determination under sub-regulation (1) results in a price containing a fraction of a leone, the price shall be fixed at the next highest whole leone and this price shall become the issue price of all such items until further purchases are made and shall be shown clearly on each folio of the unallocated stores ledger for that stores item.

(3) Unless every element of cost remains constant, the issue price shall be revised whenever purchases are made to replenish any particular stores item.

(4) The issue price shall be obtained on an averaging basis by dividing the total value of the existing stock of stores by the number of units of the old and new stocks.

(5) The new issue price shall be revised upward where appropriate, to the next highest whole leone.

(6) Where the issue price exceeds the purchase cost, the excess (which is the difference between the unit price when rounded off less the unit price calculated exactly and multiplied by the number of units) shall be posted to a stores price adjustment account.

(7) A stores price adjustment account shall be kept as low as possible and may be used to adjust prices of other stores items where exact divisibility is not possible.

(8) Any balance in the stores price adjustment account at the end of the financial year shall be taken into account when compiling the annual tabular summary of unallocated stores and shall be set to zero for the start of the new financial year by an appropriate adjustment to the revenue item of the store.

204. (1) On the receipts of unallocated stores which are required to be issued before the cost is known the receiving officer shall enter only the quantities in the stores ledger.

(2) When the necessary information regarding the cost of the stores is received, the entry in the stores ledger shall be completed and supplementary vouchers notifying the cost sent to the receiving officer; a reference to this voucher shall be shown against the issue entry in the stores ledger.

(3) On receiving stores, the receiving officer shall -

- (a) post the quantities received to the stores ledger; and

(b) accept the debit of the value of the stores, to the vote service ledger.

Preparation of issue vouchers.

205. Issue vouchers shall be prepared by the receiving officer for the quantities issued and the words "price to follow" shall be entered in the value column of the voucher.

Return of issue vouchers.

206. (1) The receiving officer shall return the original copy of the issue voucher to the issuing store and sign for the receipt of the stores items.

(2) The receiving officer shall before returning the original copy of the issue voucher, certify on the voucher the following: -

"Debit accepted and posted to vote service ledger
Head....."

Item....."

(3) On the return of the original copy of the issue voucher to the issuing store the storekeeper shall ensure that the voucher has been properly received and certified and shall also check it against the entry in the monthly summary to ensure that the allocation of the charges is correct.

Issuance of unallocated stores to be made against requisition.

207. Issues of unallocated stores shall be made against requisitions in the manner prescribed in regulation 185 and in addition to the quantities of stores items issued entries on the issue vouchers and in the stores ledger shall record the value of the stores issued.

Preparation of monthly summaries of issues.

208. (1) The storekeeper shall prepare monthly summaries of issues in duplicate on which he shall enter the issue vouchers.

(2) The monthly summaries of issues shall show the issue voucher numbers and the value of the issues under the various heads and items of expenditure or other accounts to which they have been debited.

(3) issues shall be ledger as a credit.

(4) The original monthly summaries of issues shall be submitted to the Accountant-General who shall affect the necessary adjusting entries in his accounts, debit the various expenditure heads and items of the services which have received the stores and credit the unallocated stores revenue.

209. (1) The storekeeper shall prepare in duplicate summaries of unallocated stores converted or returned to stock and other stores of unallocated stores. Preparation of summaries of unallocated stores.

(2) The summaries shall show the heads and items or other accounts to be debited or credited and the corresponding amounts to be credited or debited to the unallocated stores accounts.

(3) The original copies of the summaries shall be submitted to the Accountant-General who shall use them to make the necessary entries in his accounts

210. (1) Unallocated stores issued to institutions other than Government departments or offices shall be paid in advance and entered on separate monthly summaries of issues on which shall be recorded against each issue voucher the proceeds of the sale and the serial numbers of the revenue receipts issued for those proceeds. Issuance of unallocated stores to other institutions.

(2) The revenue receipt numbers shall be recorded on the original copies of the issue vouchers.

211. (1) Unused stores which are returned to an unallocated store shall be taken on charge with the general stock at the current issue price irrespective of the price at which they were originally issued. Accounting for returned stores.

(2) The work or service from which the stores have been returned shall be credited and the unallocated stores revenue account debited with the value of the stores at the current issue price.

Part-worn stores.

212. (1) Part-worn stores returned to an unallocated store shall not be taken on charge with the ordinary stock but shall be kept in a returned store and entered in an allocated stores ledger.

(2) These stores shall be offered free of charge to departments or offices requiring such stores, before similar new items are issued from the unallocated store.

Accounting for surplus stores.

213. (1) Where, as a result of a survey or a departmental stocktaking, unallocated stores are found to be surplus, the surplus quantities shall be brought on charge in order to facilitate the reconciliation of the tabular summary and the financial records; the value of the surplus shall be credited to revenue and debited to the unallocated stores expenditure account.

(2) Any losses in unallocated stores shall be dealt with in accordance with regulation 222.

Preparation of stock valuation lists.

214. (1) A stock valuation list as at the close of each financial year shall be prepared as soon as possible after the end of the financial year.

(2) A stock valuation list shall show the numerical and financial balances of each stores item extracted from the unallocated stores ledgers.

(3) A stock valuation list shall be totalled to show the value of the stock in hand at the end of the financial year and shall be signed by the vote controller concerned.

(4) Where the value of the stock exceeds the approved standard stock limit, the vote controller shall inform the Accountant-General explaining the reasons of the excess and giving a forecast of future requirements for consideration by the Accountant-General as to whether an increase in the standard stock limit would be appropriate.

(5) If the excess is not authorised, fresh purchases shall be restricted until the stock balance falls within the approved limit.

Unallocated stores account - Tabular summary of unallocated stores.

215. (1) The Accountant-General shall cause to be prepared and kept in an office account a tabular summary of unallocated stores for inclusion in the annual statement.

(2) Each tabular summary shall show -
(a) the stock in hand at the beginning of the financial year;

(b) addition of purchases, returns and charges as charged to the unallocated stores account in addition to the amount appearing in the Treasury accounts;

(c) deduction of issues to votes and accounts as credited to the unallocated stores revenue account;

(d) deduction of proceeds of sales of unallocated stores as credited to revenue excluding on-cost;

(e) addition or deduction of adjustments for stores not paid for in the year in which they were received;

(f) addition of surplus stores taken on charge;

(g) deduction as "x", losses and deficiencies written off and charged to the losses account and as "y", losses not yet charged to expenditure;

(h) addition or deduction of the balance on the price adjustment account; and

(i) the stock in hand at the end of the financial year.

(3) Paragraphs (e), (f), (g) and (h) of sub-regulation (2) shall be supported by statements listing the transactions taken into account in the tabular summary; and in the case of paragraph (h) the reference to the authorities given for writing off the stores shall be quoted.

(4) Any variations in the figures in paragraphs (b), (c), (d) and (g), the figures in the Treasury accounts, the figure in paragraph (i) and the total of the stock valuation list shall be accounted for on the reconciliation statements signed by the vote controller and attached to the tabular summary.

PART XVI-STOCKS VERIFICATION

Stocks to be verified annually.

216. (1) The stock holding of all public stores shall be verified at least once a year by continuous stock-taking undertaken by an independent stock verifier or by a Board of Survey, appointed by the Accountant General.

(2) A stock verifier shall verify all stocks and shall not perform any other duties as a result of staff shortage or abnormal pressure of work.

(3) A stock verifier shall visit stores for purposes of verification without giving any prior information of his visit.

(4) Except in the case of relatively small stores which can be verified completely within a short period of time, a stock verifier shall select a section of the stores for examination and within that section he shall place notices on the bins, stocks or shelves being examined, that no receipts or issues should be made in respect of any item without his approval.

(5) A stock verifier shall, in selecting items for examination, give precedence to checking items such as electrical appliances, expensive medicines, textiles, cutlery and tools.

(6) A stock verifier shall -

- (a) without prior reference to any official stock records, count and record the balance of each item being verified; and

the balance of the stocks and the tally cards and the figures agree the stocks shall be noted and signed by the verifier and the balance recorded in red ink.

217. (1) Where there are minor differences in the balances of the items as a result of working tolerances (such as minor cumulative errors arising where items are issued by weight or measurement), the stores records may, with the concurrence of the storekeeper and the stores accountant, be amended to agree with the counted figures; the stock verifier shall then prepare, sign and date an explanatory note in the stores records.

(2) Where there are differences in the balances but which are not as a result of working tolerances, the stock verifier shall check the stores ledger for obvious errors and if after this the differences have not been resolved he shall re-check the actual stock.

218. A stock verifier shall, in addition to verifying stock balances—

Additional duties of stock verifiers.

(a) check whether -

- (i) any of the stocks are unserviceable or obsolete; and
- (ii) the maximum stock quantities, provisional action figures and minimum ordering quantities will require amendment;

(b) inspect the store to ascertain if there are any defects in the store accommodation, untidiness, bad arrangement of stocks, failure to separate new, part-worn and unserviceable items, inadequacy of protection from loss or damage, theft or fire, excessive or inadequate stocks. Items not being used, depreciation through lack of proper preservative measures and items in store which have not been recorded in the stores ledgers.

checks, the opinion of the Auditor-General, the Auditor-General, the other member of the Board of Survey, the chairman and the other members of the Board of Survey, as provided in sub-regulation (2) of regulation 219.

PAYOFF OF HANDING-OVER OF STORES

221. (1) Vote controllers shall ensure that whenever one officer relinquishes to another the whole or part of his responsibilities for any store, the stocks and stores ledgers are properly examined and the handing-over and taking-over conducted in such a manner that there can be no doubt or ambiguity as to the items handed over and taken over.

(2) The procedures provided in regulations 145 to 161 shall apply with such modifications as may be necessary to the handing-over and taking-over of stores and the distribution of copies of handing-over statements.

(3) Without prejudice to sub-regulation (2), the officer taking over shall -

- (a) examine the stores records to ensure that they are entered to date and are in order;
- (b) inspect the stocks and stores accommodation and satisfy himself that they are correctly maintained; and
- (c) wherever possible make a detailed check of all items of stock against the balances in the stores ledger, but where owing to the extent or nature of the stock this is impracticable, he shall make a random sample check of the stock on hand, placing particular emphasis on the verification of valuable attractive items.

219. (1) A stock verifier shall, immediately after completing the verification of the stocks, prepare a report in quintuplicate.

(2) The report shall include -

- (a) a stock verification list in respect of all unexplained differences not covered by working tolerances; and
- (b) in memorandum form, his findings on the matters referred to in regulation 217, and the stock verifier shall retain one copy of the report for his own record and send one copy each to the vote controller concerned, the Accountant-General and the Auditor-General.

(3) The vote controller shall, within one month of receiving the report, inform the Accountant-General and the Auditor-General of any action he has taken on the finding of the stock verifier.

220. (1) The Accountant-General shall -

- (a) in cases where stocks of any store have not been fully checked by a stock verifier during the financial year; or
- (b) in stores where, even though such a check has been made, exceptionally valuable or attractive items are held,

appoint a Board of Survey to check the stocks to such extent as he may consider necessary.

(2) Membership of a Board of Survey shall be the same as that provided in regulation 140.

(3) The procedures provided in regulations 216, 217, 218 and 219 in relation to stock verifiers shall apply with such modification as may be necessary to a Board of Survey in the carrying out of its duties under this regulation.

Stock verifiers to prepare reports.

Board of Survey to check stores.

(4) A list of the stores items which have been checked and the results of the check, signed by both officers shall be attached to the handing-over statement, together with an explanation by the officer handing over, of any differences or discrepancies.

(5) The vote controller concerned shall, where such differences or discrepancies are reported or wherever the handing-over statement indicates any fault in the recording, custody or proper maintenance of the stores, within one month of the hand-over inform the Financial Secretary, Accountant General and Auditor General of any action he has taken on the matter.

PART XVIII—LOSSES WRITE-OFFS AND DISPOSAL OF STORES AND EQUIPMENT

Losses of
stores.

222. In accounting for losses of stores or equipment, the following actions shall be taken:—

(a) where the losses are accidental and no officer is held financially responsible —

(i) in the case of allocated stores, the loss shall be written off and the issue entry supported by a voucher quoting the authority for the write-off; and

(ii) in the case of unallocated stores and equipment, the loss shall be written off and the issue entry supported by a voucher quoting the authority for the write-off; an appropriate losses account shall be debited with the ledger value of the stores and the unallocated stores expenditure account credited with the same amount to enable the reconciliation of tabulated summary;

(b) where the losses are due to the negligence or fault of an officer and for which he is held financially responsible —

in the case of unallocated stores, the loss shall be written off as provided in sub-paragraph (i) of paragraph (a) and a personal advance account opened in the name of the officer held responsible shall be charged with the loss and the appropriate revenue account credited with the same amount; any balance on the advance account which cannot be recovered shall be written off and charged to the relevant losses account; and

(ii) in the case of unallocated stores, the procedure set out in sub-paragraph (ii) of paragraph (a) shall be followed; but credit for the value of the loss shall be taken to the unallocated stores expenditure and not to revenue.

223. (1) A vote controller may write off minor items of stores which have been accidentally lost or broken beyond repair such as china, glassware and small tools or perishable items which have become unserviceable, where the value of any one such item does not exceed Le200,000 or where the loss is not as a result of fraud, theft or negligence.

(2) In the case of items lost or broken, the vote controller may order the officer concerned to make good the cost of the items.

(3) The vote controller shall submit a schedule of items written off or paid for in each financial year to the Accountant-General and the Auditor-General.

224. Except as otherwise provided in regulation 223, the Authority of the Accountant General shall be sought for writing off losses and disposal of all unserviceable or obsolete stores such as vehicles, plant and equipment.

225. Disposal procedure for stores and equipment shall be in accordance with any procurement regulations.

Procedure for disposal of stores and equipment.

PART XIX—SALE, HIRE OR LOAN OF STORES, PLANT
AND EQUIPMENT

226. (1) Sale of stores, plant or equipment shall only be made to public officers or to the public—

- (a) where it falls within the terms of a formal Government contract, such as materials sold to a Government works contractor after the contract;
- (b) unless it is made in accordance with a standing arrangement; or
- (c) with the written authority of the Accountant-General which shall only be given when no other source of supply is readily available and the vote controller concerned is satisfied that the items can be spared.

(2) Where a sale is made under paragraph (c) of sub-regulation (1), no stores, plant or equipment shall be supplied to the purchaser until payment in full has been made by him.

227. (1) The price of stores, plant or equipment to be sold under regulation 226 shall be the gross cost of the item including all charges for transport, handling or otherwise plus an on-cost charge of twenty-five per cent to cover customs duty, administrative costs and other charges.

(2) In the case of unallocated stores, the gross cost price shall be credited to the unallocated stores revenue account and in the case of allocated stores, it shall be credited to an appropriate revenue account, but in both cases the on-cost shall be credited to an appropriate revenue account.

(3) When items are sold, the issue voucher shall quote the authority for the sale and the revenue receipt issued in respect of the proceeds of the sale; and the number of the issue voucher shall be quoted on all copies of the revenue receipt.

228. (1) Where a procedure exists and Hire or loan of stores, plant or equipment may only be made in exceptional circumstances and with the written authority of the Accountant-General.

(2) Any hiring out made under sub-regulation (1) shall be supported by an agreement signed by the hirer on a form approved by the Attorney General and the hire charge shall be paid before the items are released.

(3) The items hired out or loaned shall be posted to a Loan and Hire Register maintained for that purpose and showing—

- (a) the date of the hiring or loaning;
- (b) the person to whom it was made;
- (c) the authority for the hiring or loaning;
- (d) the number of the stores issue voucher and of the revenue receipt for the hire charges;
- (e) the date on which the item is due to be returned and its actual date of return; and
- (f) the number of the stores receipt voucher by which the item has been brought back on ledger or inventory charge.

(4) The items shall, on their return, be inspected by a competent officer to ensure that they are in good order and the cost of any deficiencies, damage or deterioration due to unfair wear and tear shall be charged against the hirer or borrower.

229. (1) The Loan and Hire Register shall be inspected at least once every month by the stores accountant and at least once every quarter by a more senior officer appointed by the vote controller concerned.

(2) The storekeeper and the officer shall ensure that the register is posted up to date, that proper authority exists for all hiring and loaning, that proper charges have been raised and that all items have been returned on the due date.

(3) The storekeeper and the officer shall, after every inspection sign and date the register.

**PART XX - ACCOUNTING FOR LAND, BUILDINGS,
FURNITURE, PLANT, EQUIPMENT, VEHICLES, TOOLS
AND LIVESTOCK**

Purchase of
items.

230. (1) A vote controller shall be responsible for maintaining a register called the Register of Lands and Buildings under his control or possession.

(2) The Register of Lands and Buildings shall record details of each parcel of land and each building and the terms on which it is held, with reference to the conveyance, address, area, dates of acquisition, disposal or major change in use, capital expenditure, lease terms, maintenance contracts and other pertinent management details.

(3) All major items of furniture and equipment issued for either Government quarters or offices, large tools for Government works, plant, equipment, vehicles or launches shall be purchased from capital expenditure votes provided for that purpose.

(4) Purchases made under sub-regulation (3) shall be debited direct to the capital expenditure head and not passed through the unallocated stores account.

(5) All acquisitions of land, buildings, furniture, plant, equipment, vehicles, launches and other capital assets of significant value shall be notified to the National Assets and Government Property Commission.

Inventory of
furniture and
equipment.

231. (1) Furniture and equipment issued for Government quarters or offices shall be brought on charge in a master inventory.

(2) The master inventory shall record under each category of item-

(a) the date and other details of the voucher or other document on which the items were received or issued;

(b) the serial numbers where appropriate; and
(c) their distribution to individual locations and the total quantity held.

(3) In respect of each individual location, there shall be made two copies of an inventory showing all items held at the location; one copy of the inventory shall be kept with the master inventory and the other copy at the location.

(4) The dates and other details of all receipts and issue of items to or from the location shall be recorded on both copies of the inventory as they occur.

(5) The initial entries and all other entries made later on both copies of the inventory shall be validated by the signature of the officer having the use of the items, or where there is more than one officer, the most senior of them.

232. No item of furniture or equipment shall be removed from one location to another except on proper authority. Authority for removal of items.

233. When the occupant of an office, location or Government quarters or other person having charge or use of furniture or equipment changes, the items on charge shall be physically checked against the location inventories by the officer maintaining the master inventory and both copies shall be signed by the incoming officer. Change of occupant etc.

234. (1) Vote controllers shall ensure that location inventories are checked against the master inventory at least once every six months. Location inventories to be checked against master inventory.

(2) The check shall not be carried out by an officer having responsibility for the maintenance of the master or location inventories or for the items being checked; and the officer carrying out the check shall, after the check, sign and date the records.

(3) Any deficiencies or damage to the items being checked not caused by fair wear and tear shall be treated as a loss and dealt with in accordance with these Regulations.

Inventory of vehicles, launches, etc.

235. (1) Regulations 231 and 232 shall apply with such modifications as may be necessary in respect of the taking of inventory of vehicles, launches and plant.

(2) Without prejudice to sub-regulation (1), the master inventory shall, in addition to the requirements of sub-regulation (2) of regulation 231, contain such other details as the name of the manufacturer of the item, the chassis and engine number and any ancillary equipment, spares or tools.

Maintenance of logbooks or operating records for vehicles, etc.

236. (1) Without prejudice to regulation 233, a log book or operating record shall be maintained for each vehicle, launch or plant.

(2) A log book or operating record shall record -

(a) the history, performance, servicing, overhauls and repairs in sufficient details for periodic assessments to be made of its performance compared with its cost of upkeep.

(b) details of the journey or works performed and the signature of the officer authorising them;

(c) details of fuel, oil, spares or other consumables used;

(d) dates and nature of servicing and repairs; and

(e) tools, spare wheels and other equipment carried on or associated with the vehicle, launch or plant.

(3) Where practicable, details of a journey to be made with a vehicle or launch such as the time of commencement and the route to be taken, shall be recorded in the log book or operating record before a journey commences; and the remaining details such as the date and time of completion of the journey shall be entered as soon as the journey is finished.

(4) The log book or operating record shall be signed by the officer in charge of the vehicle or launch or the driver, as may be appropriate.

(5) At the end of each month a summary of -

(a) the amount of fuel used during the month;

(b) the total mileage or running hours; and

(c) the fuel consumption,

shall be entered in the log book or operating record

(6) The fuel consumed shall be compared with that normally anticipated for the type of conveyance or plant concerned and attention shall be drawn to any apparently excessive consumption which might indicate either mechanical defect or theft of fuel.

237. (1) At least once in each quarter, the vote controller shall appoint an officer other than the one using the car or launch, to check that -

(a) the log book or operating record has been properly entered;

(b) all journeys have been correctly authorised;

(c) no improper or private use has occurred;

(d) hire charges have been duly collected, where appropriate; and

(e) all ancillary equipment, spares and tools on charge to the vehicle or launch are not missing.

(2) The officer shall, after completing the check, sign and date the log book and any deficiencies or damage to any vehicle or launch not caused by fair wear and tear shall be treated as a loss and shall be dealt with in accordance with these Regulations.

(3) Checks shall be undertaken on log books of plant and equipment as provided in sub-regulations (1) and (2).

238. (1) Journeys shall only be made in a Government vehicle or launch when the use of such vehicle or launch has been approved by an officer authorised by the vote controller concerned and such authorisation shall be conveyed in writing to the officer with copies to the Accountant-General and Auditor-General.

(2) The officer approving a journey shall ensure that—

- (a) the most economical conveyance is used commensurate with the duty to be performed; and
- (b) the distances travelled or time taken are reasonable having regard to the conditions under which the work is undertaken.

239. No Government vehicle or launch shall be used by any person for travelling from home to place of work or for any other private purpose except with the prior approval of the vote controller concerned or in the case of a vote controller, the Accountant General.

240. (1) All books purchased for official libraries or offices shall be brought on charge in a catalogue or inventory and shall be given an accession number.

(2) Books shall be retained in a suitable room or bookcase under lock and key by an officer nominated as the librarian.

241. (1) Books may be issued on loan to officers requiring them for reference or study for official purposes.

(2) A loan register shall be maintained by the librarian showing—

- (a) the accession number and title of the book borrowed;
- (b) the name, designation and signature of the officer borrowing it; and

of borrowed and the date by which shall be returned.

(3) The period of loan shall not exceed thirty days and renewals shall only be permitted where no other officer requires that book.

(4) The librarian shall ensure that books loaned out are returned within the specified period.

242. (1) Vote controllers shall cause library records and stock of Library books to be checked at least once each quarter by an officer other than the librarian. records, etc. to be checked.

(2) Evidence of the check shall be recorded in the catalogue or inventory and shall be signed and dated by the officer undertaking the check.

(3) Any deficiencies or damage not caused by fair wear and tear shall be treated as a loss and dealt with in accordance with these Regulations.

(4) Worn out or out-dated books shall be withdrawn and dealt with in accordance with these Regulations.

243. (1) Vote controllers shall keep inventories of any livestock inventory of belonging to the Government for which they are responsible. livestock.

(2) The inventories shall show the receipt, sale, transfer, death and progeny of the animals and the number on charge at any time.

(3) Separate folios shall be kept for each different kind of animal and individual records shall be kept for each animal showing its history, breeding, illness, veterinary treatment or otherwise.

(4) The inventory entries and the individual records shall be cross-referenced to one another.

244. (1) The sale or disposal of an animal shall be recorded in the inventory and individual record. Sale, disposal of or death of animals.

(2) The inventory and record shall show the dead or live weight of the animals, disposal of the skin or hide, selling price, receipt number and date.

(3) The death of an animal shall be shown as a disposal and wherever practicable the entry shall be supported by a certificate given by a veterinary surgeon stating the cause of death and disposal of the carcass.

245. (1) Vote controllers shall cause the animals to be counted at least once in each quarter by an officer not directly responsible for the animals.

(2) The total of each kind of animal counted shall agree with the total of the individual records for that kind of animal.

(3) Evidence of the check shall be recorded in the inventory and shall be assigned and dated by the officer undertaking the check.

(4) Any shortage of animals shall be treated as a loss and dealt with in accordance with these Regulations.

Financial misconduct.

246. (1) A vote controller, and accounting officer or any other public officer for a budgetary agency commits an act of financial misconduct if he wilfully or negligently—

- (a) fails to comply with the requirements of these Regulations or any other financial instructions issued by the Ministry;
- (b) makes or permits an unauthorised expenditure, an irregular expenditure or a fruitless and wasteful expenditure; or
- (c) is charged under section 76 or 77 of the Act;

(2) A charge of financial misconduct against a vote controller, an accounting officer or any other public officer shall be investigated, heard and disposed of in terms of the conditions of appointment or employment applicable to that officer.

(3) Where an act of financial misconduct is alleged, the matter shall be immediately reported to the Financial Secretary and the Establishment Secretary.

(4) If a vote controller, an accounting officer or any other public officer is alleged to have committed financial misconduct, the Establishment Secretary shall ensure that an investigation is conducted into the matter and if misconduct is confirmed, shall ensure that a disciplinary hearing is held in accordance with the terms and conditions of appointment or employment applicable.

(5) The Establishment Secretary shall ensure that the investigation is instituted within 30 days from the date of discovery of the alleged financial misconduct.

(6) If the allegations are confirmed, the vote controller shall ensure that appropriate disciplinary or criminal proceedings are initiated immediately.

(7) The Establishment Secretary may—

- (a) direct that a person other than an employee of the budgetary agency in which the alleged misconduct occurred conducts the investigation;
- (b) issue any reasonable requirement regarding the way in which the investigation should be performed.

(8) The responsible vote controller shall promptly advise the Minister and the Auditor-General of any criminal charges laid against any person for financial misconduct under this regulation and the Act.

(9) The Ministry may direct a budgetary agency to lay charges of criminal financial misconduct against any public officer if the responsible vote controller fails to take appropriate action.

(10) The vote controller shall, on an annual basis, submit to the Ministry and Auditor General a schedule of-

- (a) the outcome of any disciplinary hearings and criminal charges;
- (b) the names and ranks of employees involved; and
- (c) the sanctions and any further actions taken against these employees

Revocation S. I. No. 11 of 1998. 247. The Financial Administration Regulations, 1998 are hereby revoked.

MADE this 7th day of May, 2007.

JOHN O. BENJAMIN,
Minister of Finance.

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