`FINANCIAL REGULATIONS

(1974 Edition)

ARRANGEMENT OF CONTENTS

Appendices

CHAPTER 1

GENERAL PRINCIPLES

1. These regulations are made under section 12 of the Public Finance (Control and Audit) Ordinance 1971 and apply to the control and use of public monies defined in section 2 of that Ordinance and shall come into operation on the second day of April 1973.

2. Any reference to the Ordinance in these Regulations shall mean the Public Finance (Control and Audit) Ordinance 1971.

3. Nothing in these Regulations shall impair any obligation imposed on any person by any Act, Ordinance, Order in Council or Colonial Regulations where such Colonial Regulations have not been superseded by any Act, Ordinance or Order in Council.

4. In these Regulations the term ‘Ministry’ includes any unit of Government for which an accounting officer is appointed in accordance with section 26(1) of the Ordinance.

5. Where there is any conflict between any instructions or circular previously issued and these Regulations the latter shall prevail (F.R. 366).

6. Accounting forms for general use bear Accounting Division numbers and are issued under the authority of the Chief Accountant. Forms referred to in these Regulations are specified in Appendix A of the Schedule. All ministerial accounting or licence forms, unless required by law to be prescribed by some other authority, must be approved by the Chief Accountant.

7.

(1) The pages of all account books must be consecutively numbered in ink if numbers are not printed on them.

(2) Loose leaf ledgers or cards may only be used as books of account with the authority of the Chief Accountant whose approval is required before their introduction.

(3) Numbered pages shall under no circumstances be removed from account books.

8. All account books and forms must be typed or written in ink or with a ball point pen. The use of green ink or pencil on accounting records is restricted to the Office of the Director of Audit.

9. Entries in account books will not be erased. An incorrect entry must be neatly ruled through and the correct figure inserted above it and initialled by the responsible officer. Audited figures will not be altered without the prior approval of the Director of Audit.

10.

(1) The ministerial and sub-accountancy copies of vouchers, cash books, books of used receipts and schedules of accounts may be destroyed after the expiration of three years provided that they have been audited and there are no queries outstanding. If storage difficulties make it desirable to destroy them earlier the prior agreement of the Director of Audit should be obtained. (F.R. 94; F.R. 294).

(2) The original copies of vouchers, used receipts, abstracts and cash accounts and subsidiary journals and records held in the Accounting Division and Post Office headquarters must be preserved for a minimum period of seven years.

(3) The Principal account books kept by the Accounting Division, including the original personal emoluments and establishment records which may be required for pension or gratuity purposes, will be retained indefinitely. (F.I. 13/74).

CHAPTER 2

FINANCIAL DUTIES AND RESPONSIBILITIES OF PUBLIC OFFICERS

11. The Chief Accountant exercises the general management and supervision of all accounting operations of Government under the direction of the Financial Secretary and may from time to time give such directions and issue such instructions under section 16 of the Ordinance as may appear to him to be necessary and expedient for the proper carrying out of these Regulations.

12. Where any Ministry is constituted as self-accounting the accounting officer of that Ministry shall be charged in relation to his Ministry with the responsibilities of the Chief Accountant subject to the general supervision of the Chief Accountant.

13. Secretaries are responsible for ensuring that all officers under their control receive clear instructions for carrying out the financial and accounting aspects of their duties. Such instructions must conform with these Regulations and shall not conflict with Government policy or the accounting procedures approved by the Chief Accountant.

14. Secretaries must refer to the Chief Accountant any matters affecting the accounts of their offices which are not provided for in these Regulations, and any departure from the prescribed accounting routine must receive the prior approval of the Chief Accountant.

15. Secretaries are required to advise the Chief Accountant and the Director of Audit whenever a new office is opened, and whenever an office is closed. In the case of a new office the advice will include the place at which the office is situated, the designation of the officer in charge and a brief description as to the scope of his duties. When an office is closed full details will be given as to the disposal of the cash accounting records and stores held in the office.

16.

(1) Each accounting officer, as defined in section 2 of the Ordinance, must either personally carry out, or must specifically charge an officer on his staff, in accordance with section 26(3) of the Ordinance, to carry out the following duties:-

(a) to ensure the maximum degree of control over provision voted for the service of his Ministry or office and, in particular, to ensure that funds are properly applied without waste to the purposes for which they are voted;

(b) to ensure that the work of his Ministry or office is carried on within the framework of approved policy, without waste;

(c) to furnish promptly to the Financial Secretary, the Chief Accountant or the Director of Audit any information called for concerning finance, accounts and stores relevant to his department or office;

(d) to authorise all payments from the Heads or other funds under his control;

(e) to ensure the maintenance of his ministerial accounts and financial records in accordance with these Regulations and any subsidiary instructions issued by the Chief Accountant;

(f) to arrange for a system of internal checks and internal control covering all aspects of expenditure, stores and Government property within his Ministry or office and to ensure that it is adhered to rigidly. (F.R. 327)

(2) An accounting officer may also be an accountable officer with duties as defined in regulation 17.

17. An accountable officer, as defined in section 2 of the Ordinance, and which for the purpose of this regulation includes an accounting officer, must in so far as the following requirements may be applicable to his duties:-

(a) ensure that a proper system of accounts as prescribed by or under the authority of the Chief Accountant is established and maintained;

(b) exercise supervision over the receipts of public revenue and ensure its punctual collection;

(c) bring promptly to account all public monies accountable to him (F.R. 38);

(d) ensure that proper provision is made for the safe keeping of public monies, stamps, counterfoil receipts, licences etc. (F.R. 327);

(e) exercise strict supervision over all officers under his authority who are entrusted with financial and accounting duties and bring to notice any incompetence or repeated carelessness on their part; take precautions, by surprise inspections and the maintenance of efficient checks, against the concurrence of fraud, embezzlement or carelessness;

(f) take care that no payment is made which is not covered by proper authority and report any waste or extravagance which comes to his notice (F.R. 141);

(g) check regularly, and not less frequently than weekly, all cash and stamps in his charge and verify the amounts with the balances shown in the cash book or stamp register (F.R. 117);

(h) promptly make good any deficiency in cash or stamps for which he is responsible and make an endorsement that he has done so on the relevant page of his cash book or stamp register;

(i) bring promptly to account as a receipt any cash or stamps found in his charge in excess of the balance shown in the cash book or stamp register;

(j) promptly charge in his accounts under the proper Heads and sub-heads of the Estimates or other approved classifications all disbursements of the Government;

(k) prepare and as when required such statements and returns detailed in these Regulations or any instructions issued under these Regulations

(l) ensure that all books of account are correctly and punctually posted;

(m) produce when required by the Chief Accountant or his staff, all cash, stamps, securities and account books, records or vouchers in his charge, and grant every facility for such surveys of cash, stamps or stores as the Chief Accountant or Director of Audit may require (F.R. 341, F.R. 342);

(n) reply promptly to any enquiry addressed to him by the Chief Accountant or the Director of Audit giving in full the particulars or information required;

(o) study the convenience of the public and make arrangements, compatible with the carrying out of these Regulations, to facilitate the transaction of business with the public;

(p) bring to the notice of the Chief Accountant and Director of Audit any apparent deficiency in accounting instructions or any means by which it appears that financial and accounting procedures might be improved.

18.

(1) The term ‘sub-accountant’ means an officer who is entrusted with the receipt, custody and disbursement of public money and who is required to keep a recognised cash book, the transactions in which are accounted for to the Chief Accountant and subsequently embodied in the final accounts of the Colony. The officers holding the following posts are listed amongst those officers termed sub-accountants:- District Officers, Ocean Island, Ellice, and Line Islands; Officer-in-charge, Fanning Island; Island Executive Officers holding the responsibility for the operation of the Colony fund accounts on their respective islands.

(2) When a handing-over takes place between sub-accountants a handing over certificate (Accounting Form 1) shall be completed and signed by both officers (F.I. 15/74).

19. It is the duty of a sub-accountant:-

(a) to keep a cash book and such other book of accounts and records as may be prescribed by these Regulations or by the Chief Accountant;

(b) to enter promptly in the cash book all sums of money received or paid by him as a public officer, for whatever service;

(c) to balance his cash book daily and check the balance with the cash on hand;

(d) to support every entry by a receipt or payment voucher on the prescribed form (F.I. 3/73, F.R. 182);

(e) to ensure that all vouchers, both receipts and payments, are numbered consecutively from No.1 each month in the order in which the amounts are received or paid, and entered in the cash book accordingly;

(f) to sign the cash book personally at the end of each month (the responsible officer’s signature will be taken as certifying the correctness of the entries and cash balance);

(g) to submit his accounts to the Chief Accountant within 10 days of the end of the month to which they relate.

20. The term “revenue collector” means an officer who is entrusted with an official receipt or licence book for the regular collection of some particular form of revenue or other public money due to or accepted by Government and who is required to keep a cash book, and whose duties are defined inter alia in Chapter 3.

21. All officers are personally and may be pecuniarily responsible for the due performance of the financial duties of their offices and for any inaccuracies in the accounts rendered by them or under their authority. No officer will be relieved from

any portion of his responsibility should he depute to his subordinates the performance of duties which he should have carried out himself.

22. The responsibility of the Director of Audit for checking and reporting any shortcomings in connection with the public accounts or finances does not absolve any officer from his responsibility for complying, or securing compliance, with instructions within the scope of his own authority.

23. The Chief Accountant will from time to time cause surprise inspections to be made of the accounts of accountable officers and will report to the Financial Secretary any material irregularities connected with the public accounts that may come to his notice.

24. The Chief Accountant will be responsible for ensuring the up to date maintenance of the following documents and records by officers working in Accounting Division headquarters under his supervision:-

Principal and Subsidiary Journals and Ledgers Abstracts
Loans Register
Investments Register
Personal Emoluments Records
Pensions Register

CHAPTER 3

COLLECTION AND RECEIPT OF REVENUE AND OTHER PUBLIC MONIES

31. Except in those cases specified in regulation 55, an accountable officer shall give a receipt in the prescribed form for every sum paid to him. The receipt shall be made out at the time the money is collected and shall accord with the amount of actual collection, even though the latter, by error or otherwise, differs from the amount which should have been collected. In no circumstances may temporary or unofficial receipts be given (F.R.34; F.R.306; F.R.307; F.R.308).

32. There shall be exhibited in every office where public money is collected, notices printed in English, Gilbertese and Ellice to the effect that a numbered original receipt should be obtained for every sum of money paid to Government (F.I. 16/75).

33.

(1) The legal tender of the Colony is Australian currency notes and coin to the extent that they are legal tender within the Commonwealth of Australia and accountable officers shall not accept any other currencies into the funds of the Colony unless the prior approval of the Chief Accountant has been obtained (CAP. 54; F.R. 247; F.R. 370; F.I. 19/75).

(2) Accountable officers are required to replace any counterfeit, defaced, illegal currency or currency other than that referred to in paragraph (1) which they may wrongly accept.

34.

(1) The type of receipt to be used shall be prescribed by the Chief Accountant. Where receipt or licence forms contain spaces for the insertion of detail in manuscript, the appropriate detail shall be included in such space. The space provided for details of the amount paid shall have inserted in it such information as to quantities or rates, the relevant debit note or other document, as will enable the classification and computation of the amount to be verified (F.I. 3/73).

(2) Unless otherwise laid down by the Chief Accountant licences may be brought to account directly as such, no covering receipt being required (F.I. 6/73).

35.

(1) Except where receipt or licence books are specially printed for a particular purpose, revenue receipts in quadruplicate

shall be used by accountable offices responsible for the collection of revenue.

(2) The original receipts and licences shall be completed with a ball point pen or an indelible pencil and carbon paper shall be used to make the copies. Officers issuing receipts shall ensure that legible and complete copies have been made before parting with the original to the payer. Except where otherwise authorised by the Chief Accountant the original shall be issued to the payer, the duplicate shall be used to support the entry in the cash book and shall be attached to the paying-in form so as eventually to support the Accounting Division schedules of accounts, the triplicate shall be forwarded to the Accounting Unit and the quadruplicate shall remain at the office of issue for examination and audit.

(3) The instructions at paragraph (2) for the disposal of original and copy receipts shall be applied also to special receipt or licence books which are printed and arranged similarly to revenue receipt books.

36. No alteration of any type whatever shall be made on a receipt or licence. When a form is spoilt, it shall not be destroyed, but shall, together with all copies be cancelled with the word ‘CANCELLED’ written across it. The cancellation of the receipt or licence shall be authenticated by the signature of the responsible officer.

37. The original, duplicate and triplicate copies of cancelled receipts shall be included in numerical order with the duplicate copies of issued receipts and shall be attached with them to the appropriate paying-in form at the time of the next payment to the Accounting Division, sub-accountant or other prescribed office. A sub-accountant shall submit to the Accounting Division the original, duplicate, and triplicate copies of cancelled receipts at the time of submission of his monthly statement of account.

38. Unless otherwise approved in writing by the Chief Accountant, every revenue collector shall keep a cash book in the form prescribed by the Chief Accountant in which all receipts shall be entered daily and in which all payments to the Accounting Division, sub-accountancy or other prescribed office shall be promptly recorded. The Director of Audit shall be advised of all cases where approval to dispense with a cash book is given (F.R. 17(c)).

39. All receipt entries in the revenue collector’s cash book shall include the dates, numbers, names and amounts of all receipts issued except that names may be omitted and the bulking of receipts

19.0 HANDING AND TAKING OVER

19.1 PROCEDURE

The procedure to be followed when an accounting officer hands over to another accounting officer is contained in Financial Regulation 188.

"Accounting officer" means any officer or other person concerned with the collection, receipt, custody, issue or payment of public or other moneys, stores, stamps, investments, securities or negotiable instruments whether the property of the Republic or entrusted to the Republic or to any other officer in his capacity either alone or jointly with any officer. (Financial Regulations).

The following summary encompasses the requirements of the Financial Regulations.

19.2 HANDING OVER OFFICER

1. Cash Books and Stamp Registers

(i) On the day of handing over rule off and balance (with the cash and stamps on hand) the cash books and stamp registers.

(ii) Enter the balance of the cash book and stamp register in the relevant books and registers.

(iii) Enter the date when the cash book and stamp registers were balanced.

(iv) Sign against the entries made.

2. Below-The-Line Accounts

Prepare a list of all below-the-line account balances, (from the maual records maintained) made up to the end of the previous month showing date, names, amounts and types of transactions. Hand over the list to the officer taking over.

3. Unused Receipt Books

Check in the presence of the officer taking over, that the unused receipt books recorded in the Receipt Book Register, are on hand and sign and date the register to this effect.

4. Fixed Fee Receipts

List all the unused fixed fee receipts on issue to collectors of revenue funds which are not available for examination at the time of handing over and hand over this list to the officer taking over.

5. Stores Records

Rule off all stores records and check, in the presence of the officer taking over that these agree with the physical stock on hand. Date and sign the individual stock sheets.

6. Commitment and Expenditure Records

Ensure that he commitment and expenditure records (in the control of the handing over officer) are up to date and sign these records.

7. Safe

Verify the contents of each safe and hand over the keys to the officer taking over.

8. Discrepancies

Acknowledge in writing any discrepancies revealed in the course of handing over.

9. Handing Over Certificate

(i) On completion of the hand over prepare a certificate in triplicate to the effect that the requirements of Part XIII of the Financial Regulations have been fulfilled.

(ii) Sign the above certificate.

(iii) File one copy in the office of the Department/Station, hand over one to the officver taking over and retain one copy.

At the end of this chapter is a specimen of a Handing and Taking Over Certificate. Refer to Appendix 1.

19.3 OFFICER TAKING OVER

1. Check all the entries made in the cash book and stamp register, verify against cash and stamps on hand and sign against the entries made.

2. Receive from the handing over officer a list of below-the-line account balances and check it against the manual records maintained.

3. Check in the presence of the handing over officer that the unused receipt books recoded in the Receipt Book Register are on hand and sign and date the register to this effect.

4. Ensure that all used receipt forms have been brought to account.

5. Check the stores record sin the presence of the handing over officer, ensure that the balances agree with the physical stock and date and sign the individual stock sheets.

6. Ensure that the commitment and expenditure records under the control of the handing over officer are up to date and sign and date these records.

7. Verify the contents of each safe before taking over the keys from the handing over officer.

8. Make a report of any discrepancies revealed in the course of taking over to the Controlling Officer.

9. Sign the handing and taking over certificate and receive a copy of same.

APPENDIX 1

CERTIFICATE OF HANDING AND TAKING OVER OF STATIONS OR DEPARTMENTS

This form to be made out in triplicate and to be signed by the Official "Taking Over" and the Official "Handing Over". One copy to be retained by the Official "Handing Over", one to be filed in the office of the Department/Station and one to be retained by the Official "Taking Over".

PART A	Name of Station/Department ……………………………………...
	Date of Handling/Taking over …………………………………….
	Officer Handing Over – Name ……………………………………
	Designation………………………………
	Officer Taking Over – Name ..……………………………………
	Designation..………………………………
PART B	MOVABLE ASSETS
(i)	Cash etc:
	Notes K………………………...
	Silver and copper K………………………...
	Cheques (List Attached) K………………………...
	Postal/Money Orders K………………………...
	(List Attached)
	Stamps K………………………
	Total K…………………………
(ii)	Office Equipment as per list attached
(iii)	Furniture as per list attached
(iv)	Public Stores as per Stores Regulations 168 to 173
(v)	Vehicles as per list attached
(vi)	Other (specify)
PART C	FIXED ASSETS as per list attached

	APPENDIX 1 (contd.)
PART D	ACCOUNTABLE DOCUMENTS
(i)	Cheques Recurrent Number………….To……………
	Capital Number…………..To……………
	Loans and Advances No………………...To…………...
	Other (specify)…………………………………………...
(ii)	Licences, permits, Receipts and all other books of counterfoils as
	per list attached.
PART E	BOOKS OF ACCOUNTS
(i)	Commitment and Expenditure Ledgers;
(ii)	Registers of below-the-line accounts;
(iii)	Cash Books;
(iv)	Stamp Registers;
(v)	Stores Ledgers;
(vi)	Accountable Documents Registers;
(vii)	Inventories;
(viii)	Register of money received;
(ix)	Safes Register
(x)	Cheque Distribution Register;
(xi)	Computer Abstracts (Listing by Document Type, Sub-Head
	Analysis, Warrant Holder Analysis Etc:);
(xii)	Cash Flow Statements;
(xiii)	Bank Reconciliation Statements;
	And any other books of accounts or records as per list attached
PART F	AUDIT QUERIES AND PUBLIC ACCOUNTS COMMITTEE
	MATTERS
(i)	Auditor General
	Number of audit queries received ……….
	Number of audit queries disposed of ……….
	(see notes attached)
	Balance outstanding (see notes attached) ……….
(ii)	Internal Audit
	Internal audit queries received ……….
	Internal audit queries disposed of ……….
	(see notes attached)
	Balance outstanding (see notes attached) ……….

	APPENDIX 1 (contd.)
(iii)	Public Accounts Committee Matters
	Current issues (see list attached with remarks) …….
	Outstanding issues (see list attached) …….
PART G	BANK ACCOUNTS MAINTAINED

BANK	ACCOUNT NAME	ACCOUNT NUMBER	BALANCE K	RECONCILED TO (MONTH)

PART H JOB DESCRIPTIONS AND STAFF LISTS as per lists attached	
This is to certify that the handing and taking over of	
………………………………. Station/Department	
has been done in accordance with the requirements of	
Part xiii of the Financial regulations and Stores	
Regulations 168 to 173.	
Signature ……………………………	Signature ……………………………
Name ……………………………	Name ……………………………
Officer Handing Over	Officer Taking Over
Witnessed by:	Signature ……………………………
	Name ……………………………
	Rank ……………………………
I certify that the handing and taking over has been done in	
Accordance with the Financial and Stores regulations and all	
Provisions of this certificate have been complied with.	
Signed ……………………………	
CONTROLLING OFFICER	
MINISTRY	
cc: Permanent Secretary, Ministry of Finance Lusaka	
Auditor General, Lusaka	
March 1992	

permitted with the prior approval of the Chief Accountant.

40.

(1) Payings-in to the Accounting Division sub-accountancy or other office authorised by the Chief Accountant shall be made as soon as possible after the money is received and at least weekly on the day appointed, or at such longer interval as may in special cases be approved by the Chief Accountant in writing (F.R. 327).

(2) When a handing-over takes place between revenue collectors steps should be taken to ensure that where possible the pay-in is made immediately prior to the handover even though it may be earlier than the day appointed. In the event that cash is transferred between officers a handing-over certificate shall be completed and signed by both officers (F.I. 15/74).

41. A revenue collector shall present his cash book and unused (or part used) receipt book(s) to the responsible officer in the Accounting Division, sub-accountancy or other office on his appointed day even though he has made no collections since his last paying-in, except in cases where internal checking arrangements of the cash book(s) have been drawn up by the accountable officer and approved in writing by the Chief Accountant. Where such arrangements have been made the Director of Audit shall be advised (F.R. 383).

42. Payings-in shall be supported by a pay-in form (Accounting form 2) showing the receipt numbers and amounts allocated to each revenue head and subhead or other appropriate classification and the duplicates of the receipts issued by the revenue collector, which shall be included by the receiving officer in his accounts.

43. The revenue collector’s cash book must be ruled off and added b y him to show the total collection for the period at the time each pay-in takes place and cash or its equivalent must be produced in support of collections since the last pay-in. In no circumstances may a revenue collector be allowed to retain part of his collection.

44. When a revenue collector presents his cash book and unused (or part used) receipt book(s) the officer responsible for checking revenue cash books at the Accounting Division, sub-accountancy or other office approved by the Chief Accountant shall check the revenue collector’s cash book since the date of last paying-in against copies of the receipts to satisfy himself:-

(a) that all receipts have been accounted for and that there is no break in sequence;

(b) that all receipts have been correctly entered with particular regard to amount and allocation;

If satisfied as in (a) and (b), the checking officer shall then check the additions of the cash book and see that all particulars on the paying-in form are correctly entered. He will then agree the total cash or its equivalent with the total of the paying-in form. The checking officer will initial and date the payment entry in the cash book.

45. The revenue collector shall obtain an official revenue receipt for all monies paid in by him and shall either paste this receipt in his cash book or file it separately and record its date and number in his cash book.

46. A paying-in register or chart showing all revenue collectors required to pay in to him shall be kept by the revenue officer at the Accounting Division, each sub-accountancy and each other office authorised by the Chief Accountant as a paying-in office (F.R. 47). Such register or chart shall contain the following particulars:

Office of Revenue Collector	Appointed day of pay-in	Date of lodgement	Initials of checking officer	Reasons (in cases of non-lodgement)

47. The purpose of the register or chart referred to at regulation 46 is to facilitate proper supervision of regular lodgement of revenue by revenue collectors. Checking officers shall bring to the notice of their superior officer every instance in which:-

(a) all receipts issued since the last paying-in have not been brought to account

(b) lodgement has not been completed on the appointed day

(c) all monies have not been paid in

(d) he is unable to complete the check of the cash book promptly

48. The officer-in-charge of the section shall investigate reports made by the checking officer and take particular care to ensure that any possible irregularity is reported to the Chief Accountant. Routine checks of revenue collectors' cash books shall be supplemented by surprise inspections by accountable officers and by Accounting Division officers working under the direction of the Chief Accountant.

49. None of the checks prescribed in these Regulations to be carried out on revenue collectors' cash books by Accounting division or sub-accountancy checking officers will relieve a Secretary of his responsibility for ensuring that all collections are correctly and promptly brought to account.

50. The Chief Accountant may authorise revenue collectors to pay their collections direct to a Government bank account. In instances where such approval has been given the receiving officer at the Accounting Division, sub-accountancy or other office approved by the Chief Accountant to whom the collections are payable shall accept the bank deposit slip properly receipted by the bank in lieu of actual cash for the purposes of accounting and recording in the paying-in register.

51. When paying their collections to a bank to the credit of the Government of the Colony, revenue collectors shall prepare bank deposit slips in triplicate, the original to be retained by the bank, the duplicate, duly stamped and marked by a bank official to be presented to the Accounting Division, sub-accountancy or other office authorised by the Chief Accountant in lieu of cash when accounting for his collections, and the triplicate to be retained by the revenue collector in support of the entry in his cash book (F.R. 301).

52. The bank deposit slip or paying-in form shall show the serial number of cheques and bank drafts and the office of issue and the serial numbers of money orders and postal orders.

53. In every Ministry or branch of a Ministry in which letters or parcels are received a register must be kept by a responsible officer (normally the officer whose duty it is to open correspondence) of all money received through the post or otherwise than over the counter whether in the form of a cheque, draft, money order, postal order or cash. The register must show from whom the money is received, the date of receipt, the amount received, sufficient detail to identify a cheque, draft, money order or postal order and the number and date of the receipt or licence issued for the sum received. Where possible two officers should be present when any inward mail is opened. The record, if possible, will not be kept by the officer responsible for the issue of receipts or licences but the officer will sign the register in respect of cheques, drafts etc. taken over by him and will enter the number and date of the issued receipt or licence.

54. An officer who is not a revenue collector or cashier shall avoid accepting money tendered to him by a member of the public during the course of his duties. Should an officer, through the post, find himself in possession of government monies for which he is not specifically responsible, he shall lodge them without delay with the Accounting Division, sub-accountancy or appropriate revenue collector who shall issue an official receipt. When accepting such lodgement it shall be ascertained by the recipient whether the officer is likely to come into possession of further public monies in the course of his duties and, if so, he shall be appointed a revenue collector issued with an official receipt book and be required to comply with these Regulations.

55. The exceptions referred to in regulation 31 are:-

(a) where stamps, stamped envelopes and letter forms are sold in exchange for cash;

(b) where the Chief Accountant has approved installation of another system of receipting;

(c) where petty collections are taken in circumstances in which the issue of receipts is not practicable, and the Chief Accountant has approved their recording in a collection list. The total of this list shall be brought to account daily by means of the issue of a single covering receipt made out to ‘sundry persons’.

56. In the case of renewal of licences, a licence cannot be deemed to have been renewed until the revenue collector is in possession of the cash, money order, postal order or cheque, as thee case may be.

57. If an issued receipt form is lost, and a duplicate is applied for, a true copy certified by the accountable officer personally may be furnished but not on the prescribed form. Duplicate licences or other similar documents shall be issued in accordance with the appropriate law.

58. Care should be taken that in all cases the gross amounts due are collected. No abatements or counter claims shall be admitted unless specifically provided for by law.

59. The Accounting Division cashier, or sub-accountants who function as revenue collectors may bring their collections to account direct into their main cash book. This regulation is not intended, however, to prevent a division of work in a particular office. Any other officer other than the Accounting Division cashier, or sub-accountant may, for instance, be supplied with an appropriate receipt or licence book and made responsible for the collection of specified revenue. Such officer shall be subject to all instructions relating to revenue collectors.

60. Any unexplained surplus cash shall be promptly brought to account against the appropriate revenue subhead. It may be refunded, with the specific approval of the Chief Accountant, if it is shown to be only an apparent surplus and it is required to cover a related cash deficiency.

61. No public money shall be used for any private purpose whatsoever. Accountable officers are strictly prohibited from advancing or lending any money for which they may be responsible to the Government (Sec 18 – No. 4 of 1971 F.R. 302).

62. Accountable officers are required to ensure that registers are kept in a form prescribed by the Chief Accountant to show that all sums due to Government are duly debited at the correct time against the individuals responsible for the payment thereof, and to show the actual payments made in settlement and the arrears due. They shall also ensure that appropriate records are kept of all assessments, rents, dues, fees, sale of government property etc. in order to ensure collection at the correct time of all sums due to Government.

63.

(1) Revenue shall be collected when due and as far as possible be prevented from falling into arrears. Wherever possible cash shall be taken in advance or at the time of any services rendered. Debit notes shall be made out and submitted in all cases where payment need not be made at the time a service is rendered or goods are supplied or in other cases where the use of debit notes is customary (F.I. 8/73, F.I. 6/73).

(2) The importance of prompt assessment and prompt notifications of assessments to the individuals concerned

cannot be overstressed. Should an accountable officer for any reason find himself unable either to assess or bill promptly, he shall immediately report his difficulties in writing to his Secretary, with copies to the Chief Accountant and Director of Audit.

64.

(1) If an amount assessed is not collected within the period prescribed (if not prescribed by law, the accountable officer shall prescribe) vigorous follow-up action shall be taken on continuous basis until the account is settled culminating in action after six months in accordance with regulation 67. Appropriate notations of follow-up action shall be recorded in the relevant register or ledger (F.I. 12/73 i/3).

(2) Where collection proves to be impossible, authority to abandon the arrears will be requested from the Financial Secretary. Every application for such authority must be made by memorandum, copied to the Chief Accountant and Director of Audit, and giving full particulars (Sec. 58-No.4 of 1971).

65.

(1) All accountable officers who are responsible for the collection of revenue shall submit to the Chief Accountant, with a copy to the Director of Audit, not later than 31st January in each year a return of arrears of revenue (Accounting form 3) outstanding on the last day of the previous financial year and not later than 31st July in each year a return of arrears of revenue outstanding on the previous 30th June (F.I. 12/72).

(2) Returns shall list under each subhead of revenue the amounts owing by individuals or organisations at the close of business on either 31st December or 30th June as applicable, and where, at the date of making up the return, arrears have been subsequently collected, references to the receipt numbers on which collection has been effected shall be included and where arrears are still outstanding the steps taken to effect recovery shall be shown.

(3) The returns shall include any amounts still outstanding from the previous return.

(4) Nil returns shall be submitted if appropriate.

(5) Only such items of income tax shall be included in return as have been finally assessed or were payable by 31st December, or 30th June.

(6) Returns of outstanding customs duties submitted by the Chief Customs Officer shall be as detailed in this regulation except that where the duties have not been assessed information as detailed on the vessel's or aircraft's manifest shall be included instead of the amount of revenue owing.

66. Officers responsible for returns of arrears of revenue are required to submit consolidated returns of arrears of the revenue which is collected under their supervision and not merely the arrears of their headquarter offices.

67. In all cases where arrears of revenue remain outstanding for more than six months the Chief Accountant shall be informed with a view to consideration being given to the institution of proceedings to recover in the courts. If for any reason an accounting officer considers that legal action may not be appropriate in any particular case he shall make his reasons known to the Chief Accountant when submitting the information relevant to the outstanding arrears (F.I. 12/73 F.R. 64).

68. The reference of an outstanding item of revenue to the courts for collection or to the Police for any other reason does not affect the responsibility of the accountable officer originally concerned to show the outstanding item in his return of arrears of revenue (F.I. 12/73).

69. It is also the responsibility of the accountable officer to follow up the cases referred to court and to take such action as is open to him to ensure that court orders are carried into effect (No. 16 of 1974).

70. Amounts erroneously included in revenue registers as due are not arrears of revenue. A suitable endorsement in the revenue register of the full reason for the cancellation of the entry, certified by the responsible officer, is all that is required.

71. Fines, licence fees, etc. remitted by law cease to become arrears of revenue. A reference in the revenue register to the letter in which remission was authorised is all that is required. Unpaid court costs and fines awarded in civil and criminal cases which are payable into the consolidated fund are arrears of revenue unless and until imprisonment is suffered in lieu of payment or unless remitted.

72. Refunds of revenue fall into two classes:-

(a) those in respect of revenue collected in accordance with the laws and subsequently reclaimed under conditions prescribed by the laws (F.R. 73);

(b) those resulting from erroneous collection.

73.

(1) Refunds under regulation 72(a) require authorisation by the officer prescribed by law or by an officer to whom his powers have been delegated. Refunds under regulation 72(b) will be authorised by the Chief Accountant or by any officer generally or specifically authorised by the Chief Accountant or by any officer generally or specifically authorised by him to do so.

(2) Refunds of revenue will be charged to the relevant revenue Head and subhead of the estimates.

CHAPTER 4

RECEIPT AND LICENCE BOOKS

81. All receipt and licence books and other security books (e.g. debit note books) used in accounting for the receipt of public monies shall be held in bulk by the Chief Accountant who shall be responsible for their registration and control. All books received shall be taken on charge and all books issued shall also be recorded in the appropriate stock and distribution register (Appendix B or C of the Schedule) (F.R. 86).

82. The undermentioned officers are responsible for the registration and control of special receipt, licence or other security books, as listed (F.R. 83):-

Secretary for Communications, Works and Utilities – Money Order Forms

These officers will maintain their own stock register in the form prescribed at regulation 81.

83.

(1) Only the Chief Accountant and the officers listed in regulation 82 are authorised to indent for supplies of new books. On receipt of books or licences they shall be counted to ensure that the number of books received agrees with the appropriate requisition and invoice. As soon as possible thereafter entries shall be made book by book in the stock register and the first and the last serial number of each book shall be physically verified at the same time.

(2) The officers authorised to indent for supplies will furnish the Director of Audit direct with a copy of each invoice or issue note as the case may be.

84. Sub-accountants and revenue collectors shall submit their requisitions for receipts, licences or other security books to the office to which they submit their accounts.

85. Each issue of receipt, licence or other security books, whether from Chief Accountant to sub-accountant or revenue collector, or sub-accountants to revenue collectors etc. shall be made against properly completed requisitions on a form approved by the Chief Accountant. The Chief Accountant or other issuing officer shall satisfy themselves that previous receipt books issued to any office have been almost completely used before issuing further books to the same office. All issues shall be made in consecutive order (F.R. 87).

86. Sub-accountants and other approved receipt, licence or other security book holders shall record their supplies and issues in the appropriate stock and distribution register. Each book shall be accounted for on a separate line in the register (F.R. 81).

87. Each issue of receipt books shall be made on an issue voucher in a form approved by the Chief Accountant. Issue vouchers will be made out in quadruplicate and distributed as follows:-

(a) original and duplicate to the office to whom the issues are made; the duplicate shall there be receipted and returned to the office of issue where it shall be attached to the quadruplicate copy;

(b) triplicate to the Director of Audit

(c) quadruplicate to remain in the book (F.R. 85).

88.

(1) In no circumstances may a partly used receipt, licence or other security book be transferred away from the cash book in which the used receipt or other forms have been brought to account until all the counterfoils issued from that book have been examined by the Director of Audit.

(2) All receipts, licences and counterfoils from other security books will be issued to payers in consecutive order and they shall not be altered in any way.

89. Any sub-accountant or other officer to whom receipt, licence or other security books are issued will check them immediately against the accompanying issue voucher. Upon the discovery of any discrepancy in the quantity or numbering of the books such discrepancy shall be reported immediately to the issuing officer with a copy to the Chief Accountant (if he was not the issuing officer) and the Director of Audit. Any book which is found to be defective in the numbering or paging or in any other material particular, shall be returned to the issuing officer immediately it is discovered.

90. All receipts, licences and security books must be safe-guarded from theft or misuse and shall be kept under lock and key when not in use.

91. Receipt, licence and security books shall be conveyed by hand of a responsible officer or registered if sent by post.

92.

(1) Every accountable officer having in his charge revenue receipt, licences or other security books shall render monthly, in a form prescribed by the Chief Accountant, a return showing in respect of each type of book:-

(a) numbers of books in hand at commencement of month;

(b) books received during the month;

(c) numbers in hand at the end of the month.

All sub-accountant and revenue collectors on Tarawa shall forward this return to the Chief Accountant with the minimum of delay after the close of business at the end of each month. Revenue collectors outside Tarawa shall present their receipt, licence or other security books to the sub-accountant to whom they remit their cash so that he may incorporate details into his return, which shall accompany his monthly accounts when submitted to the Chief Accountant.

(2) The Chief Accountant shall maintain a register which will ensure the continuity of use and issue of receipt and licence books and other security books issued by him.

93.

(1) Except when handing over to an officer relieving him, a revenue collector may not transfer receipt, licence or other security books to another revenue collector (F.I. 15/74).

(2) When a handing-over takes place between officers who have in their charge receipt, licence or other security books handing-over certificates (Accounting form 1) signed by both officers shall be completed listing the quantities and serial numbers of each type of security book on charge. The officer taking over shall sign below the last entries in the stock register.

94. Exhausted receipt, licence or other security books may be destroyed in accordance with regulation 10. Obsolete books containing unused counterfoil forms shall be returned to the Chief Accountant for destruction. A destruction certificate signed by two responsible officers and showing details of the serial numbers of the unused counterfoil forms destroyed shall be sent to the Director of Audit.

CHAPTER 5

CUSTODY OF PUBLIC MONEY, STAMPS, RECEIPT BOOKS ETC.

101. Throughout this chapter ‘cash’ includes currency, postage stamps, postal orders, money orders, cheques and any other negotiable assets (which shall include bus and launch tickets purchased by accounting officers from the Development Authority) (F.R. 119, F.R. 341).

102. In no circumstances shall any officer:-

(a) use official cash for any private purpose however temporarily;

(b) cash personal cheques with official cash except as otherwise provided for in these Regulations;

(c) draw official cash against an I.O.U. or temporary receipt.

103. It is the duty of Secretaries to see that such of their staff as are responsible for the custody of cash are provided with proper accommodation for that purpose, and to satisfy themselves that due precaution are taken by such staff (F.R. 230).

104. Each cash holding shall at any time be in charge of only one officer who shall be directly responsible for it, and have sole access to it, and have a separate receptacle for its safe custody – except for cash held in strong rooms or safes with two or more locks for which detailed security instructions shall be specified by the Chief Accountant.

105. All cash in custody of public officers shall be kept in either:-

(a) strong rooms;

(b) safes;

(c) cash boxes with locks;

(d) lockable drawers or cupboards as approved by the officers’ Secretary.

106. In the Accounting Division, the Post Office headquarters, and at District sub-accountancies there must be a strong room or one of the more reserve cash safes for the custody of the main cash stocks.

At all stations and offices a safe shall be provided for the custody of public monies, where it is necessary to keep that money overnight.

107.

(1) All safes, strong room doors and cash boxes required for the safe custody of cash must be obtained from the Chief Accountant who will keep a register of safes and strong room

doors and cause a registered number to be placed in a prominent position on each unit (F.I. /75).

(2) Annual returns of such equipment will be rendered to the Chief Accountant on 1st January each year.

(3) No safes may be transferred within a Ministry without notification thereof to the Chief Accountant nor may they be transferred between Ministries without his prior approval.

108. Where safes used for securing cash cannot be cemented in, every effort shall be made to ensure that an alternative means of securing them satisfactorily to the building is adopted.

109. No public officer shall allow to be kept in any government strong room, safe or cash box any money except public money or such as by virtue of his office he is bound to account for. If private money is found in a government strong room, safe or cash box it may be credited to revenue.

110.

(1) At the time of issue of a strong room door, safe or cash box the Chief Accountant shall provide the accountable officer with an original key thereto. Duplicate, and triplicate (if issued), keys of each government strong room, safe or cash box must be enclosed in a separate sealed envelope with the description and details of the unit marked on the outside, and retained by the Chief Accountant.

(2) The particulars on envelopes enclosing duplicate or triplicate keys shall generally be detailed as follows:-

Ministry
Location
Description of safe
Registered Accounting Division Number
Date deposited with Chief Accountant
Signature of officer depositing key

111. So far as is practicable each cash holder shall keep the key to his strong room, safe etc. on his person. He shall not leave it lying about. When in the keyholder's view it is not practicable for him to carry the key on his person, he shall otherwise secure the key bearing in mind that he shall be personally and pecuniarily responsible for any loss of cash which may take place as a result of the key being lost or stolen.

112. The loss of a key to any strong room, safe, cash box or lockable drawer or cupboard generally used for the security of public monies, shall be reported immediately to the Chief Accountant and Director of Audit with a full explanation of the occurrence. Duplicate keys shall be used only to open for verification and removal

of contents, and the safe, cash box etc. shall not thereafter be used to accommodate cash until the lock has been altered and new keys provided (F.R. 323(b), F.R. 114).

113. The officer responsible for losing a key may be held liable to meet the cost of altering the lock and the provision of new keys, including any resultant transport charges incurred in respect of either the safe or its keys or in respect of any replacement safe, cash box etc.

114. In the event of a key holder having any suspicion that the keys or locks in his charge have been interfered with, he shall proceed as in regulation 112.

115. Alteration to locks of safes and the provision of new keys, if undertaken locally, will be made under security conditions and only with the Chief Accountant's prior approval.

116. Registers shall be kept in each strong room or reserve cash safe of all cash deposited therein or withdrawn. The register must show separately the denominations of all coin, notes, stamps etc. deposited in and withdrawn. Bags of coin and bundles of notes must be properly labelled and denominations kept separate. All entries must be initialled by the authorised key holders.

117. Secretaries and sub-accountants shall at least once a month ensure that an independent check is carried out of the contents of all cash safes and strong rooms in their charge and report any discrepancy in writing to the Chief Accountant with a copy to the Director of Audit (F.R. 17(g)).

118. Where any officer holding a key of a strong room or reserve cash safe is temporarily absent from the station, the key in his charge may, if necessary, be handed over to another responsible officer, but in no case may all the keys be held by one officer.

119. When a handing-over takes place between accountable officers having in their charge cash, as define din regulation 101, or the key of a strong room, safe or cash box a handing-over certificate (Accounting form 1) shall be completed and signed by both officers (F.I. 15/74).

120. At any station where there is a branch of a bank at which an account is kept by Government, the fullest possible use must be made of it and subject to the approval of the Chief Accountant all cash surplus to daily requirements should be deposited therein.

121. Officers in charge of public money whilst on tour or in a temporary station shall take every precaution to ensure maximum safeguard of the cash in their care. Where possible such officers shall avail themselves of the use of such safes, cash boxes etc. as may be in use by other public officers on that particular station.

122. Whenever cash is in transit it shall be in charge of a responsible officer and in the case of specie, carried in a strong container. Every reasonable precaution shall be taken to prevent loss and particular care must be taken to ensure that cash conveyed

by sea is not dropped into the water. Where practicable it should be secured to the vessel in such a way as to allow recovery in the event of a mishap.

CHAPTER 6

ESTIMATES OF REVENUE AND EXPENDITURE

131. Estimates of revenue and expenditure shall be prepared before the commencement of each financial year in such form as the Financial Secretary may from time to time direct, subject to the provisions of Section 6(2) of the Ordinance.

132. The estimates of recurrent expenditure shall be divided into expenditure on Personal Emoluments, Other Charges and Special Expenditure (C.R. 192).

133. DELETED

134.

(1) The Accountable Officers responsible for each Head of revenue and each Head of expenditure in the current year shall submit to the Financial Secretary each year a draft estimate for each head in respect of the year following (F.R. 137).

(2) The draft estimates required by paragraph (1) of this Regulation shall be submitted at such times and in such manner as the Financial Secretary will advise by annual Estimates Circular.

135. Where any estimate of revenue or expenditure shows a significant change from the current year's estimate it must be accompanied by a brief note explaining clearly the reason for such change.

136. DELETED

137. All estimates submitted to the Financial Secretary in accordance with regulation 134 shall be prepared in consultation with the Minister who is associated with the service provided for in those estimates.

CHAPTER 7

AUTHORITIES FOR EXPENDITURE

141.

(1) The authorities for appropriated expenditure out of the Consolidated Fund include (F.R. 186):-

(a) an Appropriation Ordinance (Sec.7 No.4 of 1971; Sec.20 No.4 of 1971)

(b) a General Warrant issued by the Financial Secretary to the Chief Accountant

(c) an Accounting Warrant issued by the Chief Accountant to the accounting officer

(2) In the event that the Appropriation Ordinance has not come into operation at the commencement of any financial year the Chief Accountant may issue monies from the Consolidated Fund on the authority of a Warrant issued under the hand of the Governor (sec.8 no.4 of 1971).

(3) The Accounting Warrant (Accounting Form 4) will provide authority to accounting officers to spend monies to meet the cost of services covered by appropriation as set out in the approved Estimates, excluding any subheads over which the Financial Secretary desires to retain special control by reservation. Authority to spend monies applied to a Head by a Supplementary Appropriation Ordinance or following de-reservation shall also be conveyed to accounting officers by an Accounting Warrant.

142. No expenditure on any subhead in excess of the amount authorised in the approved Estimates is allowable except as provided in this Chapter.

143. An Accounting Officer may authorise the over establishment of existing posts against vacancies in posts of the same cadre but graded higher. However, the over establishment of junior posts must not exceed the number of vacancies in the establishment of the senior posts even though available funds may be sufficient to cover more posts.

144. The three procedures by which provision in the approved Estimates of expenditure Heads may be varied are:

(a) virement with in a Head (Sec.30 No.4 of 1971)

(b) authorisation by the Financial Secretary in anticipation of supplementary appropriation (Sec.25 No.4 of 1971)

(c) supplementary appropriation (Sec.25 No.4 of 1971)

145.

(1) When additional provision is required on a sub-head or is required to create a new sub-head and when all or part of the required sum can be met from excess provision on other sub-heads within the same Head, an Accounting Officer may apply to the Financial Secretary for a sum equal to the excess available by means of virement, on form A.F.5. The Financial Secretary will issue a Virement Warrant only when:-

(a) The total provision for the Head is not exceeded

(b) The reallocation to create a new sub-head is within the ambit of the Head.

(2) Virement will not normally be made between a Personal Emoluments subhead and Other Charges.

(3) The mere fact that funds are not expended under one subhead is not sufficient reason for incurring additional expenditure under another subhead.

(4) The additional provision authorised by a Virement Warrant shall be entered into the provision detail of the vote ledger on receipt of the warrant. Similarly savings shall be written off against the original provision (F.R. 170(2)).

(5) Copies of Virement Warrants will be forwarded to the Chief Accountant and the Director of Audit.

146. When additional provision is required on a sub-head, or it is required to create a new sub-head, and virement is not possible of all or part of the required sum, and when no part of the required sum can be made the subject of an application for de-reservation, the Accounting Officer may apply to the Financial Secretary for a Supplementary Estimate on form A.F.6. Application for supplementary provision by appropriation will be considered only where it can be clearly be demonstrated that (F.R. 162, F.R. 149, F.R. 153):-

(a) the provision of the additional funds is in the public interest;

(b) provision cannot be delayed until the next annual Estimates are approved;

(c) the need could not reasonably have been foreseen when the current Estimates were framed.

147. An application for Supplementary Estimate form is required to obtain authority to incur additional expenditure when approval of the application would create a new service outside the ambit of the Head.

148.

(1) On receipt of an Application for Supplementary Estimate the Financial Secretary may at his discretion authorise the Chief Accountant by a Contingencies Warrant to make an advance from the Consolidated Fund in anticipation of supplementary appropriation.

(2) On receipt of the Contingencies Warrant and in anticipation of the issue of a General Warrant the Chief Accountant shall by an Accounting Warrant authorise the accounting officer to spend the monies specified in the Contingencies Warrant (F.R. 149).

149.

(1) All supplementary expenditure authorised by a Contingencies Warrant under regulation 148 shall be subject to a Supplementary Appropriation Ordinance. The Financial Secretary may additionally seek the approval of the House of Assembly by means of a Supplementary Appropriation Bill to appropriate such additional sum sought by application under regulation 146 which fulfil the required conditions and which he has not provisionally approved by the issue of a Contingencies Warrant. Authority to issue such sums from the Consolidated Fund shall be conveyed to the Chief Accountant by means of a General Warrant. Detail of sums authorised by supplementary appropriation will additionally be incorporated into a Schedule of Supplementary Appropriation.

(2) On receipt of the General warrant referred to at paragraph (1) the Chief Accountant shall authorise the accounting officer to spend monies detailed in the Warrant. Such authority shall be conveyed by means of an Accounting Warrant and will not include any authorisation previously provided under regulation 148(2).

(3) The additional provision authorised in any Accounting Warrant arising from approval for supplementary appropriation shall be entered into the provision detail of the relevant vote ledger on receipt of the warrant (F.R. 170(2)).

150. DELETED

151. Schedules of Supplementary Appropriation shall be copied to the Chief Accountant and the Director of Audit (No. 25 of 1974).

152. The savings which have been quoted on any application for virement and accepted on a Virement Warrant may not be spent, other than for the purpose for which they have been quoted unless subjected to a further application for virement or supplementary estimate.

153.

(1) Applications by accounting officers for the release of provision included in the approved Estimates but reserved by exclusion from the Accounting Warrant shall be made to the Financial Secretary on an Application for De-reservation form (Accounting form 7). The Financial Secretary's approval for the de-reservation of any sum shall be conveyed to the Chief Accountant by providing him with an approved copy of the form of application (F.R. 146).

(2) The Chief Accountant's authority to spend monies previously reserved shall be conveyed by means of an Accounting Warrant.

154. No expenditure shall be incurred nor shall a commitment be entered into by an accounting officer in anticipation of approval being given to virement, supplementary appropriation or any other variation to the authority conveyed to him by an Accounting Warrant.

155. Authority to incur Statutory Expenditure will be issued to the Chief Accountant by the Financial Secretary on Accounting Form 8 (Sec.19 No.4 of 1971).

156. An accounting officer to whom an authority to incur appropriated expenditure has been issued may authorise another accounting officer to incur expenditure on his behalf. This will be done by the vote controller issuing a Secretary's Warrant (Accounting Form 9) to the other accounting officer, with a copy to the Chief Accountant and Director of Audit. The Secretary's Warrant must show full details of the Head and subhead in respect of which the warrant is being issued and the total amount of expenditure that may be incurred under its authority. Secretary's Warrants shall not be issued to make payments that could conveniently be paid by the Accounting Warrant holder under normal payment procedures. An accounting officer to whom a Secretary's Warrant has been issued may not sub-allocate the authority of the warrant (F.R. 191(c)).

157. Accounting Warrants and Secretary's Warrants and all other such documents authorising accounting officers to incur expenditures as a charge on the Consolidated Fund shall cease absolutely on the last day of the financial year to which they relate, if no earlier date is indicated (Sec.23 No.4 of 1971).

CHAPTER 8

CLASSIFICATION AND CONTROL OF EXPENDITURE

161. It is the duty of every accounting officer to watch the expenditure charged against or committed to Heads under his control. The accounting officer has a primary duty to establish and supervise a sound organization which permits of proper delegation and at the same time achieves the needs of these regulations.

162.

(1) Accounting officers must exercise due economy. Money must not be spent merely because it has been voted.

(2) In the case of recurrent expenditure accounting officers should arrange as far as is practicable that expenditure is spread evenly over the year unless there are special reasons for not doing so. If practicable a portion of each Head shall be set aside at the beginning of each year to meet unforeseen contingencies.

(3) Accounting officers responsible for capital expenditure shall not only review such expenditure periodically in relation to sums voted but also in respect of the progress of the work (F.R. 369).

(4) Whenever it appears that amounts provided will prove sufficient for the service for the full year, accounting officers must either take steps to reduce the expenditure or, where this is not practicable, invite an application for virement or supplementary estimate as detailed in Chapter 7. It must not be assumed that supplementary provision will be provided as a matter of course. The spending officer is personally and may be pecuniarily responsible for expenditure he may incur in excess of the sum allocated to him (F.R. 145, F.R. 146).

163.

(1) The signature of the accounting officer or an officer signing for and on behalf of an accounting officer certifies to the accuracy of every detail on the requisition, voucher or other such accounting document (F.R. 192).

(2) Accounting officers are required to furnish lists of officers authorised to sign requisitions and vouchers on their behalf to the Chief Accountant with a copy to the Director of Audit (F.R. 172, F.R. 184(1), F.R. 191(2)).

164. Any officer allowing or directing any disbursement without proper authority will be held personally responsible and in the event of any unauthorised payment being made the amount may be surcharged against him (F.R. 185).

165. Expenditure shall be incurred only for the purpose for which the money is provided and shall be classified strictly in accordance with the estimates or other authority governing the use of public monies. The Chief Accountant, acting under section 15 of the Ordinance, shall reject and charge to a clearance account under the title of the accounting officer any amounts unacceptable as a charge on the public monies. All such charges shall be for subsequent reallocation to the proper Heads or in the event of such charges contravening these Regulations they may be surcharged against the responsible officer (F.R. 191(a)).

166.

(1) The date of payment governs the allocation of the transaction in the accounts. In no circumstances may payments be made before they are due for the purpose of using an anticipated saving on a Head, nor may the unexpended portion of any Head be drawn to set it in reserve to meet impending payments, or be carried to a deposit or suspense account. On the other hand, expenditure properly chargeable to the account of a given year must, as far as possible, be met within the year in which it was incurred and must not be deferred or placed in suspense for the purpose of avoiding an excess on a Head. Stores may not be purchased before they are required for use, in order to use provision in the Estimates which would otherwise lapse at the end of the financial year (F.I. 13/74 C.R. 227).

(2) In making arrangements to ensure that payments for services rendered are settled within the financial year in which they are rendered accounting officers shall, if necessary, seek the submission of any outstanding invoices or claims from the parties concerned. Accounting officers must impress this necessity upon their subordinates and any officer who neglects to press for claims will be held responsible. Where the validity of a claim is beyond doubt payment should not be withheld over the end of the financial year because of imperfections in vouchers which can be corrected after payment.

167. Credits to expenditure are not permissible except when made in adjustment of overpayments or of sums incorrectly charged in the same year. Such adjustments will only be made through the Chief Accountant.

168. Every accounting officer shall maintain a vote ledger so as to show at any time in report of every sub-head of a Head, as applicable, under his control (F.R.17(j) F.R.369):-

(a) the amount authorised, including any supplementary authorisation, virement etc,;

(b) the expenditure incurred

(c) any commitments entered into.

169. A vote ledger shall be in such form as the Chief Accountant may prescribe.

170. DELETED

171. Secretary’s Warrants shall be entered in the commitment detail of the relevant Head by the issuing officer and the receiving officer shall be required to account for all commitments and disbursements against the Head through a vote ledger. Officers making payments under authority of a Secretary’s warrant shall render to the accounting officer issuing the warrant a monthly return (Accounting form 14) showing expenditure incurred by them during the month supported by copies of the relevant vouchers, total expenditure to date, and any known outstanding commitments.

172. At the time of entry in the vote ledger all requisitions and vouchers shall be endorsed ‘entered in vote ledger’ and the endorsement initialled by the officer responsible for maintaining the vote book. Officers with authority to sign these documents must ensure that the necessary endorsement has been made before putting their signature to them (F.R. 163(2)).

173. As soon as possible after the end of each month the Chief Accountant will send to each accounting officer a statement of ‘receipts and payments’ by items and sub-heads. The accounting officer will arrange for the statement to be examined and reconciled with his vote ledgers and will acknowledge their accuracy or otherwise in such manner as may be prescribed by the Chief Accountant (F.I. 5/73).

174. Accounting officers will personally ensure that where they have delegated the responsibility for vote ledger maintenance that they nevertheless make regular inspections of the ledger to ensure that it is being properly kept up-to-date and meets the requirements of these Regulations and any instructions issued by the Chief Accountant under these Regulations (F.I.5/73).

CHAPTER 9

PAYMENTS

181. All expenditure of public monies must be vouched for on the original of a prescribe d payment voucher form (F.R. 182). Duplicate and other copies will be clearly marked as such and no payment may be made against such a voucher. Vouchers shall be made out in favour of the person or persons to whom the money is actually due (F.R. 196, F.R. 299).

182. Payment vouchers may be in such form as the Chief Accountant may prescribe (F.I. 2/73, F.R. 194, F.R. 19).

183. Separate payment vouchers will, as far as possible, be used for each subhead and the payments for different services, particularly in cases where each service has been separately authorised. Where the allocation on a voucher is to more than one sub-head it shall be supported by a "Schedule of Allocations" form (Accounting form 18) (F.R. 369(2)).

184.

(1) The signature of the accounting officer or an officer to whom authority to incur expenditure has been delegated certifies to the correctness of the voucher (F.R. 163(2), F.R. 185).

(2) In no circumstances whatever shall an officer sign blank or uncompleted vouchers.

185. The officer referred to at regulation 184(1) shall as authorising officer be held responsible that (F.R. 164, F.R. 203):-

(a) funds are available taking into account commitments outstanding;

(b) the rates or prices charged are in accordance with regulations, contract or agreement as the case may and are fair and reasonable;

(c) authority has been obtained as quoted;

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

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

(f) all proper deductions from salaries or wages on account of repayment of advances or other liabilities have been duly made.

186. All vouchers shall (F.I. 13/74):-

(a) contain full particulars of each service such as dates, numbers, quantities, distances and rates, so as to enable them to be checked without references to any other document, except that in such cases where invoices or similar documents are available they shall be attached to the voucher and shall suffice to support the payment provided that all relevant details are included thereon;

(b) quote the appropriate authority for expenditure (F.R. 141, F.R. 145, F.R. 191);

(c) quote the Head and subhead as applicable if above-the-line, or the main ledger code number and title s appropriate if below-the-line;

(d) be fully completed in regard to the various certificates and spaces provided for information incorporated in the form of the voucher.

187.

(1) In addition to the certificate on the voucher being appropriately completed, a certificate as under shall, where relevant and where the voucher is prepared by the Accounting Officer, be included within the body of the payment voucher, or where the voucher is prepared not by the Accounting Officer, be written on to or attached to, the relevant invoice or payment voucher.

(a) For payments for stores purchased in bulk for issue as required and for non-expendable stores:- "I certify that the articles have been received and taken on charge in the appropriate ledger."

(b) For payments for stores purchased in small quantities for immediate use (F.I.R. 185(g):- "These stores have been received and issued immediately for their proper use." (S.R. 162).

(c) For payments for hired transport:- "I certify that the hire of the vehicle/launch was necessary in the public interest."

(d) For payment for services rendered:- "I certify that the services have been duly performed."

When it is impracticable to obtain receipts for petty disbursements, a certificate of payment shall be given on the voucher:- "that the charges have been incurred solely on the public service and have actually been paid".

188.

(1) Payment vouchers shall be typed, or written and signed in ink or a ball point pen. The original of a payment voucher shall be signed in full; facsimile signature stamps are not allowed. Copies shall be initialled or stamped. Each certificate, if more than one is necessary, on a payment voucher shall be signed separately.

(2) All copies shall be legible and no erasures of any kind shall be allowed. Alterations to payment vouchers shall be initialled by the authorising officer. Any voucher bearing extensive alteration may be rejected by the checking or paying officer.

189.

(1) Vouchers for payment on Tarawa, or at another station through the use of the telegraphic money order service, shall be submitted to the Chief Accountant for pre-payment examination, except that special provision may apply to Impressts as detailed at Chapter 11. Vouchers raised in outstation sub-accountancies will be examined and paid by the sub-accountant. Vouchers shall reach the checking officer, at least 24 hours before payment is required (F.R. 228).

(2) Payments outside the Colony shall be arranged only by the Chief Accountant unless his specific approval to the contrary has been obtained (F.I. 2/73).

190.

(1) The original and such additional copies as the Chief Accountant or sub-accountant may from time to time require shall be prepared in addition to any copies which may be required to the purposes of the department preparing the voucher.

(2) Payment vouchers presented to the Accounting Division, and where necessary to sub-accountants, shall bear legible ministerial reference numbers.

191. The Chief Accountant or other checking officer, before passing any voucher for payment, shall, in addition to the other duties imposed on them under these Regulations, satisfy themselves (F.R. 299(d)):-

(a) that the Head and subhead charged represents a fair allocation of the expenditure incurred and is correctly described according to the approved Estimates for the current year varied, as necessary, by Virement Warrant, Contingencies Warrant or Schedule of Supplementary Appropriation.

(b) that the authority for the payment is properly and adequately described on the face of the voucher in the space provided (F.R. 186);

(c) that the person signing as accounting officer or on his behalf, or as a Secretary’s warrant holder is properly authorised to do so (F.R. 163(2), F.R. 156);

(d) that there is no obvious defect or error in the wording of the amount in any of the particulars of the payment and that the payment represents a fair charge against public funds;

(e) that the voucher has been endorsed “entered in vote ledger”.

192. No amount of scrutiny or examination of payment vouchers and their supporting documents by the Accounting division and Audit Officers shall relieve the accounting officers of responsibility for their correctness (F.R. 163).

193. The Accounting Division or sub-accountancy cashier shall not make payment against a voucher unless the voucher is initialled by the checking officer and properly authorised for payment.

194. Whenever possible all payments of fifty dollars or more shall be made by cheque if a bank account is kept. The fullest use should be made of the telegraphic money order service to make payments between Tarawa and other money order offices in the Colony (F.R. 291, F.R. 182).

195. At the time he issues cash or a cheque to make payments, the Accounting Division cashier or sub-accountant shall stamp ‘paid’ on the original and all copies of the voucher presented to him, on all supporting documents attached to it, and on any relevant schedule of allocations form (F.R. 200, F.R. 299).

196. Payments shall be made only to the persons named in the vouchers or their properly authorised representatives. Paying officers must satisfy themselves that the person claiming the payment is the person authorised to receive the amount. It is the duty of the department responsible for payment to furnish proof of identity if necessary. Payment vouchers must be receipted by the payee or his properly authorised representative (F.R. 181, F.R. 198, F.R. 196).

197.

(1) No government officer may receive any payment from public funds on behalf of or as an agent for a member of the public.

(2) The signature of an authorised representative of a firm or corporation may be accepted by a paying officer provided he has been supplied with a specimen signature.

198. The authority from a payee for a third party to receive payment on his behalf shall be in writing and shall be attached to the payment voucher. In the case of continuous payments to a third party, including a bank, the authority shall be filed by the paying officer for reference and quoted in the vouchers. When payments are made to legal representatives, authorities such as a Power of Attorney, Letters of Administration etc. shall be presented to the paying officer for inspection and the fact

recorded on the voucher. If possible, the authority or a copy shall be attached to the voucher (F.R. 196, F.I. 19/75).

199. When a payee is illiterate, his mark shall be witnessed by an officer other than the paying officer or by a literate person known to the paying officer (F.I. 13/74).

200. Vouchers shall not be receipted before payment is actually made. When vouchers are presented to the Accounting Division or sub-accountancy cashier for the purpose of obtaining cash to make payments elsewhere in cases, for example, where the vouchers cover a number of payees (e.g. salaries) and when it would not be practicable to insist on each payee presenting himself to the cashier's office payment shall be made against the authorised receiving officer's signature on the duplicate copy of the voucher. The original and copy vouchers will nevertheless be stamped 'paid' following the procedures in regulation 195 and entered in the cash book.

201. The duplicate of vouchers signed by the officers to whom the original vouchers and cash have been handed shall be retained as temporary vouchers by the Accounting Division cashier or sub-accountant until the original vouchers are received back from the paying department duly receipted by the payees. Paying officers must ensure prompt return of the vouchers, and in no circumstances shall they be outstanding for more than one week. Upon return of the original vouchers, the duplicate vouchers shall be released to the officer who presented them for payment.

202. Advances or any other sums which are recovered from payments must be clearly inserted in the body of the payment voucher. The gross amount shall be shown in the cash book as a payment and the deductions shall be brought to account as receipts (F.I. 13/74, F.R. 262).

203. In the event of any overpayment being made in consequence of an erroneous entry on the voucher the certifying officer shall be held responsible and the amount incorrectly paid may be surcharged against him. Such overpayment shall be treated as a cash loss and dealt with in accordance with Chapter 16. Similarly where expenditure is incurred which on reference to the Chief accountant appears to him to be irregular or in error he may require it to be reported and dealt with as though it were a loss of public funds (F.R. 185, F.R. 375).

CHAPTER 10

ADJUSTMENTS AND TRANSFERS

211. A journal voucher (Accounting form 19) may be used to transfer money from one Government account to another without recourse to an actual transfer of cash. Examples of transactions which can be effected conveniently and expeditiously by journal voucher are adjustments of accounting errors and transfers of deposits to revenue.

212. Journal vouchers shall clearly indicate the reason for the adjustment or transfer and shall furnish full reference to the original debit or credit where applicable, quoting the receipt or payment voucher number and the month of account (F.I. 5/73, F.I. 7/73). In the case of an adjustment a cross reference to the journal voucher shall be endorsed upon the original and departmental copy of the voucher on which the original debit or credit was raised.

213. After acceptance of a journal voucher by the Chief Accountant accepted copies of the voucher shall be returned to both creditor and debtor departments. When a journal voucher affects expenditure Heads an appropriate entry shall be made in the vote ledger. Similarly when a revenue subhead is affected the necessary entry shall be made in the departmental revenue records.

214. Submission of journal vouchers to the Accounting Division shall follow such procedures as may from time to time be laid down by the Chief Accountant relevant to the nature of the adjustment or transfer being processed (F.I.9/73).

CHAPTER 11

IMPRESTS

221. An imprest is a sum of money advanced to an officer under section 22(1)(c) of the Ordinance to meet expenditure directly connected with the public service for which vouchers cannot be presented conveniently in the normal way.

222. Imprests are of two classes, namely:-

(a) standing imprests which may be replenished from time to time, and which shall be retired at the end of each financial year; and

(b) special imprests granted or particular purposes, which shall be accounted for in full within the period allowed or when the service is completed, whichever is the sooner.

223.

(1) Applications for imprests shall be made to the Chief Accountant on Accounting form 20 and the necessity for the imprest shall be fully explained in the application. The amount applied for shall be fixed at the lowest figure compatible with the requirements of the service and the period to be covered by an imprest shall be as short as is reasonably convenient. The application shall be signed personally by the officer requiring the imprest.

(2) Where possible, officers requiring the use of imprests shall ensure that their applications reach the Chief Accountant at least one week before the date on which the imprest is required.

(3) The Chief Accountant may authorise a sub-accountant to issue an imprest subject to his prior approval and directions as to its accountability under these Regulations.

224. A special imprest is not transferable to another officer (F.I. 15/74). A standing imprest may, however, be transferred between departmental officers due to the incidence of transfers, leave etc. provided that the original purpose for which the imprest was issued is not violated and a handing-over certificate (Accounting form 1) covering the cash and relevant vouchers is completed and signed by both officers.

225.

(1) The Chief Accountant shall maintain a register to record the issue of imprests and to ensure by its regular examination that imprests are being properly accounted for and are retired on due dates.

(2) The issue and final retirement of imprests shall be allocated to a below-the-line account under Advances, separately recording standing imprests and special imprests.

(3) When cash and vouches are surrendered on retiring an imprest a revenue receipt shall be issued crediting the Advance account.

226. Imprest holders shall keep a cash book and record all payments except where the Chief Accountant has authorised otherwise. The accounts of imprest holders are subject to inspection by the Chief Accountant and Director of Audit.

227. An imprest holder is an accountable officer and must duly observe all regulations regarding the control of expenditure and the disbursements of public money. Imprests shall be used only for the specific purposes for which they are issued, and holders are not relieved from responsibility until vouchers submitted have been examined and found correct. In no circumstances shall an imprest be used for private purposes however temporarily. Imprest holders may not use for imprest purposes other public monies which may come into their possession unless specifically authorised by the Chief Accountant. Such monies shall, unless otherwise specifically agreed, be kept separate and accounted for in full.

228. When it is necessary to replenish an imprest, the holder shall submit properly completed vouchers for the amount expended to the office at which the imprest was first issued (F.R. 383, F.R. 189). The vouchers shall be allocated direct to the votes concerned and not to the below-the-line account for ‘Advances – Standing (or Special) Imprests’. The replenishment shall no exceed the amount of the voucher submitted.

229. Standing imprests shall be repaid on or before the last day of the financial year in which they are issued, or immediately when the reasons for which they were granted cease to exist, by the production of vouchers or cash for the full amount of the imprest. Officers retiring imprests at the end of a financial year shall apply in ample time to permit the issue of any new imprest required for the ensuing year.

230. Officers holding money drawn on imprest shall arrange for its safe custody in accordance with Chapter 5 of these Regulations.

CHAPTER 12

REMITTANCES

241. The disposition of the Government's cash balances is the responsibility of the Chief Accountant and he will lay down the maximum cash balances for each station (F.I. 4/73). Sub-accountants shall remit cash held in excess of the maximum authorised balances to the Chief Accountant. All cheques and drafts forming part of a sub-accountant's cash in hand will be remitted by him to the Accounting Division at the first opportunity after receipt.

242. When funds are required by sub-accountants they shall obtain them from the Chief Accountant giving as much notice as possible. No remittances shall be made between sub-accountants without the specific authority of the Chief Accountant.

243. To enable the intended recipient of a remittance to look out for its safe arrival he must be advised by telegram of its despatch by the remitter. Such telegrams shall not normally indicate the amount of the remittance, but shall be sufficiently explicit to permit non-receipt or delay to be investigated. Similarly, receipt of remittances shall be telegraphically acknowledged quoting the receipt number under which the remittance has been brought to account. If such acknowledgement is not received promptly the remitting officer must institute immediate enquiry by telegram.

244. Cheques and drafts shall be remitted to the Accounting Division from outstations by registered mail (F.R. 311). Similarly, use shall be made of registered mail facilities to remit currency notes between sub-accountants and the Accounting Division and vice versa. Specie shall be remitted by safe-hand of a responsible public officer or by safe-hand of an aircraft's or vessel's captain but not only with the prior approval of the Chief Accountant and subject to such security arrangements as he may wish to make. In particular cases when it is more convenient to do so cheques, drafts and currency notes may also be remitted by safe-hand, subject to the Chief Accountant's prior approval.

245.

(1) Every remittance shall be made up by two officers and shall be securely packed and sealed in their presence. The accompanying payment voucher shall be certified in the following manner and signed by both officers:- "We certify that we have checked this remittance and found it to be ……….dollars and ………… cents".

(2) On receipt of the remittance two officers, as arranged by the officer to whom the remittance is addressed or in his absence the officer in charge, shall unseal and check the contents.

246.

(1) The remitting office shall prepare a payment voucher (Accounting form 16) in duplicate showing on it full details

of all cheques and drafts, the denomination of notes and coin, and a general description of any other ‘cash’ making up the remittance. He will pass the transaction through his cash book and the duplicate copy of the payment voucher shall be forwarded to the receiving office with the remittance. The original voucher shall be held by the remitter in support of the cash book entry.

(2) After the remittance has been checked the receiving officer shall issue a revenue receipt for the amount of the remittance. In the case of remittances from the Accounting Division to sub-accountants the sub-accountant shall return the receipt to the Chief Accountant. However, in the case of remittances to the Accounting Division the revenue receipt shall be retained in the Accounting Division for incorporation in the sub-accountant’s monthly accounts, where it shall be submitted to the original voucher.

247. The officer despatching a remittance shall be responsible for any loss arising from the inclusion in the remittance of any cheque or draft which is not capable of being realised or currency note or coin not specified in Regulation 33.

248. Any discrepancy in a remittance received by a sub-accountant will be reported immediately by telegram to the Chief Accountant. The Chief Accountant will likewise advise the remitter of any discrepancy in remittances received in the Accounting Division. The remittances shall be brought to account in full in the cash book, even if there is a shortage in the amount received. A payment voucher shall be raised and entered in the cash book to cover a shortage, charged to an advance account under the title of the remitting sub-accountant or the Chief Accountant as the case may be. If there is a surplus it shall be brought to account as revenue.

249.

(1) The Chief Accountant and each sub-accountant shall maintain a remittance register in which shall be shown in respect of each outward remittance, in column form the following detail:-

Destination	Date	Payment Vr. No.	Amount	Ref. No. of advice telegram	Date of Acknow-ledgement telegram	Revenue Receipt reference

These particulars shall be entered up immediately upon the issue or receipt of the documents concerned.

(2) The Chief Accountant or sub-accountant shall regularly inspect the remittance registers taking immediate steps to investigate any apparent delay in the receipt of any sum

emitted, or in the receipt of documents of acknowledgement and acquittance.

250. Remittances within the Colony shall be insured under arrangements made by the Chief Accountant. Sub-accountants shall submit a return to the Chief Accountant by 4th January each year of the currency notes and coin they remitted or carried during the preceding year.

CHAPTER 13

ADVANCES

261. The Chief Accountant acting under the authority of an Advance Warrant issued under section 22(1) of the Ordinance may disburse monies for the purpose of making advances, subject to the conditions of section 22 of the Ordinance and these Regulations.

262.

(1) Advances are accounted for by means of Advance accounts. Advance accounts may not be opened without the prior approval of the Chief Accountant. No payments may be debited to Advance accounts without the specific approval of the Chief Accountant, who shall issue instructions regarding the recovery of any debits so approved.

(2) Advance accounts may be classified as either (F.I. 10/73, F.R. 202, G.O. E65, F.R. 348):-

(a) personal advance accounts which are the liability of the officer concerned and may, if necessary, be recovered from his salary

(b) general advance accounts which are the responsibility of the Chief Accountant, except when such accounts are for the use of a Ministry in which case they are responsibility of the Secretary.

(3) Secretaries authorised to maintain Advance accounts shall keep such records as the Chief Accountant may direct and shall reconcile the balances with the Accounting Division accounts as directed by the Chief Accountant which shall be not less frequently than six monthly.

263. All vouchers relating to advances must indicate:-

(a) the number of the account and, if relevant, the name of the officer to whom the advance is chargeable;

(b) the nature of the advance;

(c) the terms of recovery;

(d) the authority for the advance or loan.

264. An officer recommending or authorising a personal advance (other than a salary advance) shall ensure that it will not cause the total of any monthly repayments to exceed one half of the gross monthly emoluments of the officer. For the purpose of

this regulation the term advance includes any sum guaranteed by Government in connection with a hire purchase agreement or a bank personal loan (No.5 of 1973).

265.

(1) Advances may be authorised for contract officers under the same conditions as those for pensionable officers, except that the terms of repayment shall be so arranged as to ensure that the final repayment falls due no later than the last complete month in which salary is due. Similar limitations shall apply to pensionable officers who are known to be leaving the service.

(2) The Chief Accountant may require that a surety, collateral or security be supplied by the borrower.

(3) In wholly exceptional circumstances in which repayment of advances cannot be made at a due date application shall be made to the authorising officer for the period of the advance to be extended. The Chief Accountant shall be consulted in all such cases.

266.

(1) It is the prime responsibility of the Secretary or such other accountable officer who has secured a personal advance to ensure that due deductions of instalments from salary are made and that the terms under which the advance is made are complied with, not withstanding the responsibilities of the Chief Accountant or sub-accountant in effecting salary payments or passing vouchers for payment.

(2) In the event of an officer to whom an advance has been granted transferring to another Ministry before recovery has been fully effected, details of the advance including its purpose, amount and recoveries up to the date of transfer, shall be advised by the officer’s previous Secretary to his new Secretary in writing.

267. When an officer leaves the service of Government for any reason the outstanding balance of any advance is recoverable in full from his salary or by deductions from any retirement benefits or terminal payments for which the officer is eligible. However, special arrangements may be made by the Chief Accountant (F.R. 268).

268. When an officer with an outstanding loan or advance of any kind leaves the service and the balance cannot be recovered under regulation 267 the matter shall be reported to the Chief Accountant by the officer’s Secretary. The Chief Accountant shall direct the procedure to be taken and in the event that recovery may possibly be

effected through obtaining possession of any chattels or through the Courts he shall consult the Attorney-General.

269. On the death of an officer, the Secretary shall notify the Chief Accountant of any outstanding advances in the officer's name. The Chief Accountant shall then investigate the possibility of obtaining recovery from the estate of the deceased officer.

270. Advances of salary, bicycle advances, motor vehicle loans etc. are granted subject to the conditions and procedures contained in General Orders or by any administrative circular issued pursuant to General Orders or these Regulations (G.O. E65).

271. In any circumstances where the conditions of the advance or loan demands the payment of interest such interest shall be paid as revenue into the Consolidated Fund.

272. In the case of an advance on which interest is payable, repayment by other than the authorised monthly instalments constitutes an abnormal refund. If an officer wishes to make an abnormal refund, he will inform the Chief Accountant who shall recalculate the interest and state the amount to be repaid by the officer. If the repayment leaves a balance still to be recovered, the Chief Accountant shall state the revised amounts to be recovered monthly.

273. The approval of the Financial Secretary is required to write off any irrecoverable advance. Applications for write-off shall be submitted in the first instance to the Chief Accountant and shall state (where applicable) (Sec.58 – No. 4 of 1971):-

(a) why recovery action was not taken in accordance with the conditions of the advance;

(b) what action has been taken to recover the outstanding balance;

(c) the name of any officer, other than the debtor, who might be held responsible for the non-recovery, with recommendations as to whether he may be held pecuniarily responsible.

CHAPTER 14

DEPOSITS

281. Deposits such as are referred to in section 31 of the Ordinance are acceptable under such conditions as may from time to time be laid down by the Chief Accountant and subject to these Regulations.

282. Sub-accountants and revenue collectors shall not bring monies to account as a deposit unless a Deposit Account has been opened with the Chief Accountant's approval. The Chief Accountant shall cause to be issued from time to time a Main Ledger Code which will contain references to the various authorised accounts under their respective codes to which deposits may be accepted.

283. When authorising the opening of a deposit account the Chief Accountant shall designate an officer with the responsibility for maintenance of the account and such officer shall be required to keep such records as the Chief Accountant may direct. The controlling officer shall reconcile the balances in the deposit account with the Accounting Division accounts as directed by the Chief Accountant which shall be not less frequently than six monthly (F.R. 286).

284. Generally deposits shall not be accepted unless fully justified. Money may not be accepted on deposit merely for safe keeping. A deposit may not be accepted at one station for repayment at another station when the Post Office facilities can be utilised to effect the transaction (F.R. 286).

285. All revenue receipts relating to deposits shall clearly indicate the name of the depositor, the nature of the transaction and the code number of the below-the-line classification affected (F.I. 3/73).

286.

(1) Authorising officers before signing withdrawal vouchers shall satisfy themselves that the money is actually on deposit. The vouchers shall be receipted by the payee (F.R. 283).

(2) A deposit may not be withdrawn at a station other than that at which it was received without the prior approval of the Chief Accountant (F.R. 284).

287. The withdrawal of an amount placed on deposit shall be supported, if possible, by the original receipt on which it was brought to account. Withdrawal vouchers shall make reference to the date, amount, and number of receipt which was issued when the money was placed on deposit, and to the date, amount, and number of payment voucher on which any partial repayment was previously made.

288.

(1) Officers handling savings bank transactions operated under the agency agreement with a bank shall bring their receipts

and payments to account under Deposits – (name of bank) Savings Bank – (place) vouching their transactions as prescribed by the Chief Accountant and forwarding to him such returns as he may require.

(2) Officers conducting savings bank business shall adhere to such instructions as they may receive from the manager of the bank in respect of returns to be rendered to the bank, and shall correspond direct with him on those aspects of the business relating purely to the bank's affairs.

CHAPTER 15

BANK ACCOUNTS AND CHEQUES ETC-

291. A Government bank account may be opened only with the authority of the Chief Accountant which authority shall be subject to section 17 of the Ordinance. Each approved account shall be in the official designation of the officer authorised to operate it (F.R. 194).

292. When it is necessary that a Government bank account be opened the Secretary concerned shall apply in writing to the Chief Accountant, stating where the account is to be opened, the purpose for which it is required and by whom it is to be operated. When the opening of the account has been authorised, the Chief Accountant shall notify the branch of the bank concerned, and the Secretary. The latter shall make all necessary arrangements with the bank for the supply of specimen signatures when the account is first opened and at any such subsequent times that there are changes in the signatories. The Chief Accountant may direct as to the total maximum of public money that may be held in any bank account authorised by him (F.R. 296).

293. An application to a bank for the supply of a cheque book shall be signed by the officers authorised to operate the account.

294. All unused cheque books shall be kept in a strong room or safe under the control of the officer who keeps the bank account. Cheque books in use shall be locked in a safe or strong room overnight. The counterfoils of all used cheque books shall be preserved for reference for three years, after which they may be destroyed. Unissued cheques shall be subject to periodic examination as a precaution against damage or loss (F.R. 10).

295. If at any time it is discovered that a cheque book or a cheque is missing, this shall be communicated immediately to the bank concerned, to the Chief Accountant and the Director of Audit and the outcome of the subsequent enquiries likewise reported.

296.

(1) Cheques drawn against an official bank account shall be signed by two officers, one of whom shall be the officer authorised to operate the account. Officers signing cheques shall also initial the counterfoils (F.R. 292).

(2) In no circumstances whatever shall an officer sign blank or uncompleted cheques.

297. All cheques drawn against an official account shall be crossed with two parallel lines and endorsed ‘not negotiable’. Cheques made payable to Ministries intended for salary or wages payments etc. shall be endorsed in the right hand corner ‘please pay cash’ and signed by the signatories of the cheque. Similarly when an individual intimates that it is his intention to obtain cash in exchange for the cheque rather than

to lodge the cheque in an account with the bank an endorsement ‘please pay cash’ is required.

298. When a cheque is spoiled or cancelled it shall be affixed to the counterfoil and retained in the cheque book.

299. An officer signing a cheque in respect of vouchers shall:-

(a) see that the cheque number has been recorded on the voucher(s);

(b) see that the cheque is properly drawn e.g. that the name of the payee is correctly stated, that the date is correct, that the amount in words agrees with the figures and that the counterfoil has been correctly filled in (F.R. 181);

(c) check that the payment vouchers have been clearly marked ‘paid’ and dated to agree with the date of the cheque (F.R. 195);

(d) see that the payment vouchers have been duly passed for payment by reference to the initials of the checking officer (F.R. 191);

(e) initial the cheque counterfoil and ensure that the balance in the account as recorded on the counterfoil has been properly adjusted to take account of the cheque.

300. An officer operating a Government bank account shall ensure that all sums paid into or debited to that account are properly recorded in his cash book.

301.

(1) When an officer makes a payment into an official bank account which he himself does not operate he shall prepare the bank deposit slips in accordance with regulation 51. When an officer makes payment into an official bank account which he operates he shall prepare a bank deposit slip in duplicate. The duplicate slip shall be retained fort audit purposes.

(2) Each copy of the bank deposit slip shall show a full analysis of the amount paid in as to notes, coin, cheques and drafts and shall detail the serial numbers of individual cheques and drafts. No alterations, other than those made by the bank, may be made on a bank deposit slip. When payment has been made to the bank the officer operating the account shall examine the duplicate deposit slip to see that it bears an acknowledgement of receipt by the bank, and that any alterations made by the bank are properly accounted for.

302. Personal monies shall in no circumstances be paid to a Government bank account, nor may Government revenue be paid to any personal bank account. Collectors of revenue and other officials who come into possession of public money

must not use it for the purpose of cashing cheques except as provided under these Regulations (F.R. 61, F.R. 309).

303. An officer operating a Government bank account shall reconcile his cash book with a bank statement at the close of each month. He shall prepare a reconciliation statement which must detail all outstanding cheques or credit slips, and fully explain any differences between the balances shown in the cash book and in the bank statement.

304. The Chief Accountant’s bank account shall be subject to such maximum or minimum balances as may be directed from time to time by the Financial Secretary. Under no circumstances shall the account be overdrawn nor shall any temporary advance be obtained from the bank without the prior permission of the Financial Secretary. An accountable officer may not overdraw any bank account operated by him nor shall he obtain any temporary advance from the bank without the prior permission of the Chief Accountant. In the event of any account being overdrawn without proper authority the officer responsible may be required to refund any bank charges incurred.

305. An officer who operates an official bank account shall, if so requested by the Chief Accountant, the Director of Audit, or their representatives, obtain from the bank a statement of account or a certificate of balance, and produce it for examination (F.R. 346).

306. Cheques received for the credit of Government accounts shall normally be made payable to “GE IC Government”. Cheques must be examined for the following points before acceptance (F.R. 31, F.R. 307):-

(a) the cheque must be signed by the drawer;

(b) the cheque must not be post-dated nor may it be dated more than one year earlier than the date of presentation;

(c) the amount written in words must agree with the amount in figures;

(d) the cheque must be crossed – if it is not crossed it should immediately be crossed by the receiving officer;

(e) any alteration must be countersigned or initialled by the drawer.

307. Cheques drawn on banks established in the Colony may be accepted as revenue, but officers shall refuse to accept cheques if they have any reason to think that the cheques might not be met (F.R. 31, F.R. 306).

308.

(1) Cheques drawn on banks outside the Colony unless received in the overseas mail and traveller’s cheques in a currency other than Australian dollar may not be accepted without the

prior approval of the Chief Accountant. Bills of exchange and promissory notes may not be accepted (F.I. 10/73, F.R. 31).

(2) The Chief Accountant shall fix exchange rates for acceptance of cheques not expressed in Australian dollars.

309.

(1) A sub-accountant in a non-banking station may, at his discretion, cash cheques for amounts of less than ten dollars drawn on a bank in the Colony and presented by a Government officer who is the holder of a valid authority to cash cheques issued by the Chief Accountant (F.I. 10/73, F.R. 302).

(2) Personal cheques shall not be cashed by the sub-accountant at a banking station in any circumstances.

(3) In no circumstances shall an officer who is not a sub-accountant cash a personal cheque, except where specifically authorised to do so by the Chief Accountant.

310.

(1) In no circumstances shall a cheque be cashed for any person other than a Government officer, or for any business company, without the prior approval of the Accountant General (F.I. 10/73).

(2) In seeking the Chief Accountant's approval for encashment of cheques under this regulation full details as to the name of the drawer, the length of anticipated stay in the Colony, nature of visit, amount of cheque, name of bank on which the cheque is drawn and whether it is likely that further requests will be made for encashment of cheques by this person, shall be forwarded.

311. Sub-accountants shall ensure that all cheques accepted by them as revenue or otherwise authorised for exchange by these Regulations are remitted to the Chief Accountant by the first available opportunity under the procedure detailed in Chapter 12 of these Regulations (F.R. 244).

312.

(1) Any cheque rejected by a bank will be treated as dishonoured. The Chief Accountant or sub-accountant concerned, as the case may be, to whom the cheque is returned will prepare a payment voucher for the amount of the cheque, as a contra to the original credit in his accounts, and charge it to Advances (name of drawer). If such transaction is made by a sub-

accountant he shall immediately notify the Chief Accountant (F.I. 10/73).

(2) The Chief Accountant or sub-accountant shall apply to the drawer without delay for him to make good the amount of the cheque. If the cheque has been rejected by the bank because it was incorrectly prepared then a further cheque may be accepted in replacement. If, however, the cheques was returned with the endorsement ‘refer to drawer’, ‘lack of funds’ or ‘no account’ then reimbursement in cash shall b einsisted on unless there is sufficient evidence to show that a further cheque will be accepted by the bank.

(3) If requested to do so by the Chief Accountant, the officer’s Secretary shall obtain a written explanation from any public officer who has presented a cheque to Government which has been dishonoured due to lack of funds and the amount of the cheque shall be recovered from the officer. The authority to cash cheques from public monies shall be withdrawn immediately from an officer who has had a cheque dishonoured due to lack of funds. Such authority shall only be restored if a satisfactory explanation of the occurrence is given.

CHAPTER 16

LOSSES OF PUBLIC FUNDS AND BOARDS OF ENQUIRY

321. Every public officer is required to bring to the notice of his superior officer, without delay, any suspected loss, shortage, irregularity, fraud or theft affecting the funds of Government or for which Government is responsible, other than petty losses not exceeding ten dollars which are established beyond doubt to have been due to minor errors and not negligence, fraud or theft. The responsibility of an officer shall not be affected should the sum be made good by another officer (Sec.2 – No. 4 of 1971 F.R. 323).

322. A shortage in a remittance shall be dealt with in accordance with regulation 248. A shortage found by a Board of Survey or inspecting officer when checking the cash or stamps in a sub-accountancy or Post Office shall be dealt with in accordance with regulation 348. In either case if the loss exceeds ten dollars, action shall also be taken as laid down in this Chapter.

323. In the case of all shortages or losses other than those under ten dollars referred to in regulation 321, action shall be taken as follows by the officer discovering the loss (F.R. 203, F.R. 348):-

(a) immediately report the matter to the Police – an officer in doubt should err on the side of suspicion;

(b) if there is any suspicion that the loss was due to a safe or strong room key having been lost, action shall be taken immediately in accordance with regulation 112;

(c) immediately send a brief telegraphic report to the Chief Accountant with a copy to his Secretary and the Director of Audit;

(d) as soon as possible send a detailed report to his Secretary; if there is likely to be a delay in obtaining full details, an interim report shall be sent within fourteen days of the discovery of the loss.

324.

(1) On receiving information concerning a loss of funds in his Ministry, a Secretary shall:-

(a) ensure that the case is fully investigated, or at the request of the Chief Accountant ask that a Board of Enquiry be convened (F.R. 325);

(b) forward a report without delay to the Chief Accountant, copied to the Director of Audit; such report shall be in the format prescribed at regulation 327 and shall contain a recommendation as to whether or not a Board of Enquiry is considered necessary;

(c) when there has been a prosecution, inform the Chief Accountant, and Director of Audit of the verdict of the court;

(d) where appropriate initiate disciplinary action in accordance with General Orders provided that where criminal proceedings are instituted such action should await the outcome of those proceedings; it should be noted that an acquittal on a criminal charge does not rule out disciplinary action on grounds that those covered by the criminal charge, such as negligence.

(2) In cases where the initial enquiries clearly indicate that an officer may be guilty of a criminal offence or gross negligence warranting dismissal his Secretary shall relieve him of all his financial duties and forthwith refer the matter to the Establishment Secretary with a recommendation whether the officer should be interdicted under General Orders. The Chief Accountant and the Director of Audit shall be kept informed of any action taken under this regulation.

325. Boards of Enquiry shall be appointed by the Financial Secretary except that in out-stations he may direct a District Officer to appoint the Board on his behalf. A board shall consist of two or, if possible, three officers, including the president. The president will generally be a senior officer of a Ministry other than that in which the loss occurred. Where possible the Board shall contain an officer with accounting experience. Officers of the Office of the Director of Audit shall not be appointed to a Board (F.R. 324, F.R. 343).

326.

(1) A Board of Enquiry shall meet at times and places most suitable for an enquiry, and shall be held as soon as possible.

(2) If there is a likelihood that criminal proceedings will be instituted against an officer the Board shall not examine him. Recommendations for disciplinary proceedings against him will not be made until the conclusion of any criminal proceedings. Subject to this limitation and the effect it may have on an assessment of the responsibility of any other officer involved, the Board should submit as complete a report as it can as soon as possible, without waiting for criminal proceedings to be concluded. It is important that the Chief Accountant should be placed in possession of all the facts of the case in order that any weakness in the accounting system which may be revealed may be corrected immediately in order to prevent further losses.

327.

(1) A report of a Secretary under regulation 324 or of a Board of Enquiry shall be prepared giving specific information in respect of, and specific answers to, each of the following questions:-

(a) the name of the Ministry or sub-accountancy;

(b) the office or place where the loss, shortage or such other irregularity occurred;

(c) the date of the occurrence;

(d) the amount involved in the loss, and whether or not it has been wholly or partly made good;

(e) the name of the officer immediately responsible for the custody of the cash or stamps etc. which have been lost or stolen, and the length of time they have been in nhis custody;

(f) the precise circumstances in which the loss, shortage or theft arose;

(g) whether the loss, shortage or theft arose directly or indirectly from the negligence of any officer;

(h) what arrangements were in existence for safeguarding the cash or stamps etc. and whether these arrangements had been regularly and properly carried out (F.R. 17);

(i) what arrangements were in existence for the periodic checking and paying in of cash or stamps etc. held by the officer concerned and whether these arrangements had been regularly carried out (F.R. 16);

(j) when the last pay-in took place, and when and by whom a detailed check was last made (F.R. 40);

(k) what officer or officers have been or should be called upon to show cause why he or they should not be required to make good the whole or part of the loss involved, giving full and specific reasons for the recommendations;

(l) if the answer to (k) is in the negative, full and specific reasons why it is not considered that any officer or officers should be required to make good the loss in whole or in part shall be given;

(m) what additional precautions, if any, are proposed to prevent a recurrence of the loss, shortage or theft

(n) whether the matter has been reported to the Police, and if so, on what date (a copy of the Police report or Court judgement shall be attached, if available).

(2) Three copies of this report shall be submitted to the Chief Accountant and a copy forwarded to the Director of Audit. Each question shall be set out in full and an answer given against it.

328. The Chief Accountant shall take action as follows on any loss reported to him:-

(a) immediately issue instructions for any necessary accounting action;

(b) take steps to correct any weakness in the accounting systems revealed by the case;

(c) if either disciplinary action or the write-off of any loss or part of it is to be recommended, submit the papers on the case with his comments and recommendations to the Financial Secretary for decision (F.R. 329);

329. The Financial Secretary will convey his decision on any reports submitted to him under regulation 328(c) to the Secretary concerned, the Chief Accountant and the Director of Audit.

330. Prompt action at all stages is essential. In the event of a loss that might have been prevented through prompt action in respect of an earlier loss, any officer responsible for undue delay may be held pecuniarily responsible in whole or in part for the later loss.

CHAPTER 17

BOARDS OF SURVEY: CASH AND STAMPS

341. Boards of Survey will be held after the close of business on the last working day of each financial year and before the opening day of business on the first day of the new financial year to examine the cash, as defined in regulation 101, and bank balances held by the Chief Accountant, sub-accountants, postal officers and any other public officers in possession of cash excepting special imprest holders who are on duty outside the Colony (F.R. 17 (m)).

342.

(1) Boards will also be opened at irregular intervals during the year to hold surprise surveys of the cash, bank balances, stamps etc. in the custody of the Chief Accountant and other public officers. The appointment of surprise Boards must be kept confidential (F.R.17(m), F.R. 48, F.R.346).

(2) The Chief Accountant may also arrange for the inspection of the cash, stamps etc. of any accountable officer.

343.

(1) Boards will be appointed (F.R. 325):-

(a) in Tarawa and for surprise Boards by the Financial Secretary;

(b) in out-stations by the Deputy Secretary to the Chief Minister.

(2) Officers appointed to a Board of Survey must report immediately to the convening officer if they are unable to serve.

344. A Board should consist, if possible, of three officers (including the president) and never less than two. The officer in charge of the cash must be present when the Board is being held but must not serve on the Board. Officers of the Office of the Director of Audit shall not be appointed to a Board.

345.

(1) No cash transaction may take place between the close of business at the end of the financial year and the meeting of the annual Board. On other occasions, unless public business will be disrupted, cash transaction must cease until the Board or inspecting officer has completed the survey. In cases where it is necessary to allow continuation of public business the Board or inspecting officer shall, before checking the cash, make satisfactory arrangements to ensure that the current day's transactions are completely separated from the previous

balances e.g. by the issue of a working cash balance. Should the verification of cash last more than one day, the unverified portion must remain under the joint control of the Board and the officer-in-charge of the cash until the survey is completed.

(2) The Board will ensure that the cash book is ruled off and will initial the balances which they check. These balances will not be altered under any circumstances except with the written approval of the Board.

346.

(1) The annual Board of Survey is required to check the cash book and register of stamps, as applicable, by casting entries for the month and verifying the balances with the actual cash and stamps etc. on hand. The balance brought forward at the commencement of the month shall also be checked by reference to the cash book closing balance of the previous month. The cash book and register of stamps shall be certified by the Board. If a bank account is kept, a certificate of the balance shall be obtained from the bank and a statement reconciling the balance in the bank with the bank balance shown in the cash book on the last day of the year shall be obtained from the officer operating the bank account. The cash book should not be closed off until such reconciliation is complete and all adjustments taken up. The Board of Survey shall (F.R. 303):-

(a) verify the opening and closing balance shown on the reconciliation statement by reference to the bank statement and cash book respectively;

(b) verify the castings of the reconciliation statement;

(c) make a test check of entries in the cash book against the supporting vouchers;

(2) Surprise Boards shall be subject to such conditions and shall carry out such verification and checks as may be detailed on their appointment (F.R. 342).

347. All currency notes other than those in unopened packages with bank seals intact must be counted in detail and the bundles sealed, labelled, signed and dated by the Board. If the seals are intact and the contents clearly marked, specie in mint boxes or bank-sealed bags need not be counted in detail. All stamps must be counted.

348. Any surplus discovered by a Board of Survey or an inspecting officer must be brought to account in the cash book as a credit to revenue. Any shortage must be made good by the responsible officer or, with the approval of the Chief Accountant, charged as an advance against him pending investigation. In the case of a discrepancy

in the stamp stocks, adjustment shall also be made to the register of stamps, as appropriate. A shortage over ten dollars must be reported immediately to the Chief Accountant and the Director of Audit following the procedures in Chapter 16 of these Regulations (F.R. 322, F.R. 262).

349. On completion of a Board of Survey the president shall submit a report (Accounting form 21) in duplicate to the officer who convened the Board. A copy of the report will be forwarded to the Chief Accountant and to the Director of Audit. The report shall be signed by all members of the Board.

CHAPTER 18

SALARIES, WAGES AND PENSIONS

351. The salaries, wages and allowances of officers in the public service are subject to these Regulations and to General Orders and such authorities, circulars or instructions as may be issued by the Establishment Secretary. No payments shall be made without the proper authority.

352. Salaries chargeable to the personal emoluments subhead of the Estimates will be paid by the Accounting Division under a centralised payments system operated by the Chief Accountant. Accounting officers will maintain such records and will submit such authorities and returns as may be required by the Chief Accountant for the operation of the system (F.I. 20/75).

353. Subject to these Regulations and any administrative instruction issued by the Establishment Secretary wages payments will be made in such form and under such arrangements as may be prescribed by the Chief Accountant (F.I. 13/74).

354. Pension benefits and gratuities awarded under the Pensions Ordinance or any like authority for the time being in force governing the payment of pensions and similar retiring benefits will be paid by the Chief Accountant. The Chief Accountant will maintain such records as he may consider necessary so as to ensure that the payments of pensions and similar benefits arte made as and when due and at the correct dates.

CHAPTER 19

DEVELOPMENT FUND

361.

(1) The Development Fund is established under the provisions of Sec. 10(A) of the Ordinance and came into operation on 1st January 1974.

(2) Operation of the Fund is provided by Sec. 24(A) of the Ordinance.

(3) The Development Fund provides finance for all works and services of a capital nature.

362. The works and services financed from the Development Fund shall be separately identified as a "project" and each project shall be identified, firstly, by the number allocated to it within the current Development Plan, secondly, where applicable, by the identification given it by a donor agency.

363. All offers and requests for overseas aid of any sort shall be dealt with through the Financial Secretary. Secretaries may not deal with donor agencies on a formal basis, although there is no objection to informal contact on the strict understanding that no commitment is entered into. Applications for aid shall normally be within the framework of the current Development Plan.

364. Applications for aid funds shall be drawn up in draft by the appropriate Ministry in the general format at Appendix "D" of the Schedule and forwarded to the Financial Secretary. Secretaries shall provide such further information as may be required, either generally or particularly, to allow the application to be considered and forwarded to the donor agency (F.R. 372, F.R. 368).

365. When a project has received local approval and financing arranged as provided by Sec.10(A)(2) of the Ordinance, copies of the Project Memorandum will be sent to the accountable officer, the Chief Accountant and the Director of Audit.

366. A Project Memorandum will determine, generally, the conditions under which issues from the Fund may be expended. Specific conditions may be set by the donor agency. All conditions, general and specific, must be met in the use of Fund moneys. (Specific conditions extant at 1st January, 1974 will, subject to Regulation 5, apply to the receipts and payments of Fund money).

367.

(1) The issue of a Project Memorandum is not an authority to spend money. The manner in which authority to expend money from the Fund is obtained shall be as prescribed by the Chief Accountant (F.I. 14/74).

(2) The authority issued under sub-section (1) is subject always to a sufficient balance being available within the Total Project Cost.

368.

(1) When the life of a project extends over more than one financial year, the annual expenditure shall be determined by the authorities as may, from time to time, be issued in respect of that year.

(2) Expenditure over the life of a project shall not exceed without proper authority, the Total Project Cost.

(3) A “proper authority” for the purposes of sub-section (2) will be a Supplementary Project Memorandum approved and issued after supplementary application has been made in a manner similar to that set out in Regulation 364.

369.

(1) As relevant, control of expenditure of money issued from the Development Fund shall be maintained in a manner similar to that set out in Chapter 8.

(2) As relevant and where possible, the requirements of Regulation 183 shall be met when making payments.

(3) When the life of a project extends over more than one financial year, the expenditure records maintained in accordance with sub-section (1) shall be cumulative over the life of the project.

370.

(1) When a donor agency is foreign the Total Project Cost will normally be quoted in foreign currency. Expenditure in local currency, shall be so controlled that when converted into that foreign currency the Total Project cost is not exceeded (F.R. 33).

(2) Conversion rates in the necessary currencies shall be issued as required by the Chief Accountant.

371. Within a period of six months after the end of the financial year the Chief Accountant shall prepare a cumulative statement of account for each project, separately expressed in the currency quoted by the donor agency. Additional to any copies the donor agency may require, a copy of each statement shall be sent to the Accountable Officer, to the Financial Secretary and to the Director of Audit. Each statement shall show, inter alia, as at the end of the previous financial year:-

(a) The actual monies received from the donor agency in support of the project;

(b) expenditure in the year and total expenditure;

(c) the imbalance between assisted expenditure and (a) above.

(2) A statement shall be prepared for each year of the life of a project commencing with the year in which the Project Memorandum is first issued and shall continue to be prepared until the expenditure on the project has ceased and the imbalance between assisted expenditure and the actual monies received from the donor agency is educed to nil.

372. The ambit of a project shall not materially be altered without the approval of the donor agency obtained through the Financial Secretary by application in the manner set out in Regulation 364. The fullest possible information must be provided in support of the application.

373.

(1) Subject to the requirements of a donor agency, the Financial Secretary has power to make minor variations within the ambit of an approved project. Accountable Officers who wish to transfer available funds between items within a project or to utilise savings on one item to create a new item shall make application to the Financial Secretary by memorandum giving full details of the amounts to be transferred and the reasons for wishing to make such transfers. Variation of expenditure between items of a project will only be approved when there will be no increase in total expenditure under the project and there is no major departure from the terms of the Project Memorandum. The creation of new items shall be subject to availability of funds within the project and their consistency with the purpose of the project. Approved variations will be notified to the Accountable Officer in writing, with a copy to the Chief Accountant and Director of Audit. No expenditure shall be incurred or committed in anticipation of approval to a variation or to the creation of a new item.

(2) Expenditure may not be charged to contingencies items and such items may not be used to provide funds for new items or additional funds under exhausted items without formal approval of either a variation or the creation of a new item.

(3) Transfer between Heads (main divisions), or between items if so specified in the Project Memorandum, of a project and any change in the project requiring additional funds requires the prior approval of the donor agency, to be obtained through the Financial Secretary.

374. Unless otherwise advised by a donor agency in the Project Memorandum, receipt of monies accruing from the operation of a project or from the disposal of equipment and stores no longer required for the purposes of a project shall be credited as revenue to the Fund during the life of the project (Sec.2).

375. Project expenditure disallowed from the claims against foreign donors and over-expenditure not accepted by foreign donors must be subjected to an application, from the accountable officer, to the Financial Secretary copied to the Chief Accountant and Director of Audit, for approval that it be allowed to "stand charged" in the accounts of the Colony. The Financial Secretary will determine, when considering the application, whether the expenditure shall be borne by the Development Fund or the Consolidated Fund. Such expenditure may be surcharged against the accountable officer (F.R. 203).

376. When expenditure is approved and issues made from the Fund prior to financing arrangements having been completed ("if and when" expenditure), such expenditure shall, nevertheless, be allocated and controlled in accordance with this Chapter.

377. Accountable officers shall submit such returns and information relevant to the Development Fund as the Financial Secretary may from time to time require.

378. As soon as may be after it is apparent that no further debits and credits will be made against a project, and in any case no later than six months after the end of the financial year in which accounting entries ceased, the accountable officer shall submit to the Chief Accountant, copied to the Financial Secretary and Director of Audit, a certificate showing:-

(a) that the project may be considered closed

(b) that cumulative revenue and expenditure records have been reconciled with Accounting Division Accounts and all necessary adjustments taken up;

(c) the disposition of movable assets purchased and/or supplied from the project and not previously written off and the intention for their future use;

(d) the total expenditure analysed, if relevant, in accordance with the latest Project Memorandum.

CHAPTER 20

MISCELLANEOUS

381. Investment of monies standing to the credit of the Revenue Equalisation Reserve Fund and disbursements therefrom shall be made only in a manner or for a purpose approved by the Secretary of State (Sec.21 – No.4 of 1971).

382. At the close of each financial year, each of the securities held on account of the Government shall be valued at its current middle market price on the last working day of the year, and the value assigned to each security in the accounts shall be adjusted so as to correspond with the price. The amount by which the new value exceeds or falls short of the old value shall be carried to the credit or debit of the account of Fund in respect of which the securities are held.

383. Notwithstanding these Regulations the Chief Accountant may authorise a variation to the procedures contained in Chapters 3 and 11 relative to revenue pay-ins and impress reimbursements covering the operations of Post Offices if he considers that it will facilitate improvement to the overall postal accounting procedures, provided that no diminution to the responsibilities of the accountable officers or to the control of public funds shall be allowed (F.I. 7/73).

384.

(1) Secretaries are required to make use of the services of the Development Authority wherever these can be made available effectively (S.R. 44).

(2) The way in which the Gilbert and Ellice Islands Development Authority shall provide to Government the services required by Government Divisions, the way in which Government shall pay for those services and the general operational relationship between the Development Authority and Government shall be defined in agreements made between both parties. These agreements will include:-

(a) Basic Agreement on Provision of Works Services;	i/4
(b) Agreement on Works Maintenance Services	ii/4
(c) Agreement on Housing Maintenance	iii/4
(d) Agreement on Vehicle and Vessel Charter	iv/4

(3) Specific project and programme agreements will normally be made between the Development Authority and the accounting officer responsible for the project on behalf of the Government but such agreements will refer to the basic Agreement on Works services and shall be governed by it. In designing projects, procurement of materials and

disbursement of funds the Development Authority shall follow such regulations as may be promulgated from time to time by Government regarding use of public funds in procurement, and in this respect Government shall keep the Development Authority informed of current general restrictions on the use of aid or other funds and accounting officers shall include in specific project or programme agreements any special restrictions, or waiver of restrictions, applying to that project or programme (v/2).

(4) Payment shall normally be claimed by the Development Authority and made in accordance with progress payment or other arrangements made in the agreement with Government. Accounting officers shall expedite checking of accounts and shall not hold up processing unless for good reason, which shall be reported to the Financial Secretary. The Chief Accountant shall expedite clearance of payment vouchers on their receipt from accounting officers.

385. Without in any way detracting from the responsibilities of accountable officers, the Chief Accountant may, and shall if so directed, where it is lawful to do so vary the procedures required by these Regulations for the better management and accountability of public monies (Sec.15 No.4 of 1971).

APPENDIX 'A' (F.R.6)

LIST OF ACCOUNTING FORMS

(with description of use)

F.R.18, 93, 119	AF1	**HANDING-OVER CERTIFICATE-CASH & STAMPS:** The means by which one officer relinquishes and another officer assumes control of public moneys and stamps etc., being "cash" as defined by F.R. 101.
F.R. 42	AF2	**PAYING-IN FORM:** For use by Revenue Collectors when disposing of their collections to a sub-Accountant; it provides for an analysis of allocations of all receipts issued since the last pay-in.
F.R. 65	AF3	**RETURN OF ARREARS OF REVENUE:** Bi-annual lists of outstanding debts due to Government, one of which reveals the shortfall in collectable revenue for the year-just ended and both of which measure the effectiveness of collection by the relevant Accountable officers.
F.R. 141	AF4	**ACCOUNTING WARRANT:** An authority to spend monies from the Consolidated Fund, issued to Accounting Officers by the Chief Accountant on receipt by him of a General Warrant, supplementary General Warrant, Contingencies Warrant and approved applications for dereservation.
F.R. 145	AF5	**APPLICATION FOR VIREMENT:** A request for approval to transfer a surplus appropriation on a sub-head in aid of a deficiency in appropriation from the Consolidated Fund, or to create a new sub-head.
F.R. 146	AF6	**APPLICATION FOR SUPPLEMENTARY ESTIMATE:** A request for additional Appropriation, from the Consolidated Fund, for a sub-head of expenditure or to create a new sub-head.
F.R. 153	AF7	**APPLICATION FOR DE-RESERVATION:** A request for a sum, or part of a sum, previously appropriated from the Consolidated

		Fund but for the use of which has been
		"reserved", to be made available to spend.
F.R. 155	AF8	**REQUISITION TO INCUR STATUTORY**
		EXPENDITURE: A request from the Chief
		Accountant, for money to be made available to
		meet expenditure on the Consolidated Fund
		Services.
F.R. 156	AF9	**SECRETARY'S WARRANT:** The means by
		which one Accounting Officer authorises another
		Accounting Officer to carry out works and
		services on his behalf and to vouch for the
		expenditure so incurred..
F.R. 169	AF10	**VOTE LEDGER:** The means by which
		expenditure is controlled by providing for the
		entry of a provision and alterations to that
		provision, the balance of outstanding
		commitments, the actual expenditure incurred
		and the balance of provision remaining.
	AF11	(SPARE)
	AF12	(SPARE)
	AF13	(SPARE)
F.R. 171	AF14	**RETURN OF EXPENDITURE INCURRED**
		UNDER SECRETARY'S WARRANT: A
		Monthly statement from the spending
		Accounting Officer which will allow the issuing
		Accounting Officer to maintain control of the
		sub-head or other allocation for which he
		remains responsible notwithstanding the issue of
		AF 9.
	AF15	(SPARE)
F.R. 182	AF16	**GENERAL PAYMENT VOUCHER:** A
		request for a specific payment to be made out
		of the public moneys, submitted to the Chief
		Accountant or other paying officer, for such
		works and services and in such a manner as the
		Chief Accountant may determine.
	AF17	(SPARE)

F.R. 183	AF18	**SCHEDULE OF ALLOCATIONS:** To support, and be submitted with, any payment Voucher on which more than one allocation is necessary.
F.R. 211	AF19	**JOURNAL VOUCHER:** The means by which transfers are made between one or more ledger accounts without the payment and receipt of cash; the means by which misallocations, and other mistakes, can be rectified in the books of account.
F.R. 222	AF20	**APPLICATION FOR IMPREST:** A request to the Chief Accountant, or an authorised sub-Accountant, to make an advance from the public moneys to meet future expenditure the payment for which cannot be met in the normal way by the pre-payment submission of vouchers.
F.R. 349	AF21	**BOARD OF SURVEY REPORT – CASH & STAMPS:** A list of "cash" assets in the hands of An Accountable Officer which certifies the degree of correctness of the balances held and, in the case of money, provides the "asset certificate" in support of a balance in the Accounts; it will normally require a report, of the Board conducting the survey, on the manner in which supporting records are maintained.
F.R. 173	AF22	**STATEMENT OF RECEIPTS AND PAYMENTS:** Issued monthly by the Chief Accountant as the advice to Accountable Officers of the receipts and payments under their control that have actually been brought to account, from all chests, in the month; it is written up to show totals by allocation and in such detail as will enable the Accountable Officer to check the statement against his records.
F.R. 173	AF23	**ADVICE OF ACCEPTANCE:** Required from Accountable Officers, in respect of each month of account, for submission to the Chief Accountant, accepting, rejecting or querying, as necessary, the content of AF22.
F.R. 63	AF24	**SCHEDULE OF DEBIT NOTES:** A list of debits raised during the month, submitted monthly only to the Development under the

		special payment arrangements set out in F.I. 6/73.
	AF25	(SPARE)
F.R. 63	AF26	**DEBIT NOTE:** A demand for payment for works done or services rendered when payment could not be calculated or expected either in advance or at the time the work was done or the service was rendered.
F.R. 367	AF27	**APPLICATION FOR ISSUES FROM THE DEVELOPMENT FUND:** A request for money to be made available from the Development Fund to meet expenditure on an approved project, as required by F.I. 14/74.
F.R. 367	AF28	**ACCOUNTING DEVELOPMENT FUND WARRANT:** An authority to spend monies From the Development Fund, issued to Accountable Officers by the Chief Accountant on receipt by him of a Development Fund Warrant which is the Financial Secretary's Notification of approval of application made on AF 27.
F.R. 353	AF29	**TIME RECORD: The personal record, for** Classified Workers of hours worked and from which is computed the total wage for the period, all as required by F.I. 13/74.
	AF30	(SPARE)
F.R. 198	AF31	**THIRD PARTY AUTHORITY:** Required when a payment is to be made to a person other than the true payee as named on the voucher; the procedure is set out in F.I. 19/75.
	AF32	(SPARE)
	AF33	(SPARE)
	AF34	(SPARE)
	AF35	(SPARE)
	AF36	(SPARE)

	AF37	(SPARE)
F.R. 352	AF38	**PERSONAL CASUALTY RETURN:** The means by which all information relevant to the payment of salary is fed into the centralised system operated by the Chief Accountant; the procedure is set out in F.I. 20/75.
	AF39	(SPARE)
F.R. 385	AF40	**STATEMENT OF RECURRENT/ DEVELOPMENT EXPENDITURE:** The monthly advice, from an Accounting Unit to Relevant Accountable Officers, of the current position regarding appropriations from the Consolidated Fund and issues from the Development Fund for which they are responsible, as required by F.I. 18/75.
	AF41	**APPLICATION FOR O.S.A.S. PASSAGES:** The only form of requisition for the overseas passages of designated officers and their families when the cost originates from within the Territory.