

S.I. 2011 No.

Financial Management and Audit Act
(Act 2007-11)

**FINANCIAL MANAGEMENT AND AUDIT (FINANCIAL)
RULES, 2011**

Arrangement of Rules

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S.I. 2011 No.

Financial Management and Audit Act
(Act 2007-11)

**FINANCIAL MANAGEMENT AND AUDIT (FINANCIAL)
RULES, 2011**

The Cabinet, in exercise of its powers under section 48 of the *Financial Management and Audit Act*, makes the following Rules:

PART I

Preliminary

1. These Rules may be cited as the *Financial Management and Audit (Financial) Rules, 2011*. Citation.

2. In these Rules, Definition.

"accounting policies" means those practices, principles, rules and procedures that underlie the preparation and presentation of financial statements of a department and any other government entity;

"approved form" means a form approved by the Director for the purposes of these Rules;

"bank" means a bank licensed or established by virtue of an Act for the time being in force in Barbados;

"accounts" means a record of accounting transactions and financial transactions, whether compiled, maintained or stored manually or electronically;

"head of department" includes in relation to a Ministry the Permanent Secretary;

"intangible asset" means an identifiable non-monetary asset without physical substance;

"investment" includes shares of a limited company held in the name of the Crown and interests in associated undertakings or in associated joint ventures;

"property, plant and equipment" includes leasehold interests of the Crown in property and other assets that are acquired or are being acquired under financing arrangements that include hire purchase arrangements and the right to purchase;

Cap. 10A. "Public Accounts Committee" means the Public Accounts Committee established under section 3 of the *Publics Accounts Committee Act*;

"purchase order" means a document that an officer uses to purchase goods or services on behalf of the Crown;

"Registrar" means Registrar of the Supreme Court;

Fourth Schedule. "security documents" means the items listed in the *Fourth Schedule*;

"Special Tenders Committee" means the Committee established under rule 219;

"supplies" means articles required for the Public Service;

"Tenders Committee" means the Committee established under rule 218;

"voucher" means a

(a) payment request or other approved form that records details that support expenditure payments made by a department or other government entity; or

(b) revenue receipt;

"warrant" means a document that states the maximum level that a department spends during a financial year that

(a) the Minister approves and signs; or

(b) an officer authorised by the Minister approves and signs.

PART II

*Accounting Policies for Financial Reporting***3. In this Part**Interpreta-
tion.

"contingent asset" means a possible asset that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of a department;

"contingent liability" means, in relation to a department, a

- (a) possible obligation that arises from past events and whose existence is confirmed by the occurrence or non-occurrence of one or more uncertain future events that are uncontrollable by the department; or
- (b) present obligation that arises from past events but is not recognised by the department because
 - (i) it is not probable that an outflow of resources that embody economic benefits or service is required to settle the obligation; or
 - (ii) the amount of the obligation cannot be measured with sufficient reliability;

"officer" means an officer responsible for financial reporting in a department.

Compliance with Part II. **4.** An officer of a department shall comply with the provisions of this Part.

General purpose financial reports. **5.** An officer shall base a general purpose financial report of a department on the following concepts:

- (a) the concept of going concern, that is the department on which the general purpose financial report is based shall be the going concern;
- (b) the concept of materiality, that is the financial statement or document on which the general purpose financial report is based shall be material to that report.

Preparation of general purpose financial reports. **6.** (1) An officer, in a general financial report of a department, shall

- (a) state a clear and concise statement of accounting policies that are material to that report;
- (b) include the following:
 - (i) the name of the department that makes the general purpose financial report and the statutory basis under which that report is made;
 - (ii) the measurement base used in preparing the general purpose financial report;
 - (iii) if material, a statement which indicates the detailed accounting policies of the department; and
 - (iv) a statement of the changes of accounting policies of the department subsequent to the last annual audited **[general purpose]** financial report.

(2) Notwithstanding paragraph (1)(b)(iv), if there are no changes in the accounting policies, the officer shall state in the general purpose financial report that the department has no change in accounting policies subsequent to the last annual audited **[general purpose]** financial report.

7. The measurement base that an officer shall apply is historical cost, adjusted for revaluations of items of property, plant and equipment, where appropriate, and marketable securities that a department holds for trading purposes. Measure-
ment base.

8. An officer shall Reporting
of revenue.

(a) record revenue net of refunds that a department makes;

(b) submit a statement of refunds of the department by category to the Director, the Auditor-General and the Accountant-General.

9. (1) An officer shall recognise in a Statement of Financial Performance of a department the following gains: Recognition
of gains.

(a) realised gains that arise from sales of assets or the early repurchase of liabilities in the period in which a transaction occurs;

(b) unrealised foreign exchange gains on monetary assets and liabilities;

- (c) unrealised gains on marketable securities held for trading purposes;
- (d) at balance date, unrealised gains, excluding foreign exchange gains, that arise from changes in the value of investments and marketable securities held for investment, but only to the extent that those gains reverse a loss previously charged to the Statement of Financial Performance of the department.

(2) Subject to paragraph (1)(d), where the unrealised gains, excluding the foreign exchange gains, affect the reversal, the officer shall credit the gains to the Statement of Financial Performance of the department.

(3) The officer shall recognise unrealised gains that arise from changes in the value of property, plant and equipment in the Statement of Financial Performance of the department.

Losses. **10.** (1) An officer shall recognise in a Statement of Financial Performance of a department the following losses:

- (a) realised losses from the sale of assets or the early repurchase of liabilities in the period in which the transaction occurs;
- (b) unrealised foreign exchange losses on monetary assets and liabilities;
- (c) unrealised losses on marketable securities held for trading purposes;
- (d) at balance date, unrealised losses, excluding foreign exchange losses, that arise from changes in the value of items of property, plant and equipment and investments and marketable securities that the department holds for investment.

(2) Notwithstanding paragraph (1), the officer shall first apply unrealised losses against the revaluation reserve for that class of assets.

(3) Subject to paragraph (2), where there is a balance after the unrealised losses are first applied against the revaluation reserve for that class of assets, the officer shall charge the balance to the Statement of Financial Performance of the department.

(4) The officer shall, at balance date, recognise unrealised losses, excluding foreign exchange losses, that arise from changes in the value of items of property, plant and equipment and investment and marketable securities that the department holds for investment purposes at balance date.

11. (1) Where a discount arises on the issue of a debt instrument, an officer shall treat the discount as an increase in the cost of borrowing. Discounts and premiums on debt instrument.

(2) Where a premium arises on the purchase of a monetary asset, the officer shall treat the premium as a reduction in an investment income.

(3) The officer shall

(a) recognise a discount and a premium on a debt instrument at the balance date; and

(b) amortise the discount and the premium over the period of the debt instrument on a yield-to-maturity basis.

(4) Where there is a floating interest rate on the debt instrument, the officer shall amortise the discount of the premium over the first interest period.

Borrowings. **12.** An officer shall record a borrowing at nominal value that is adjusted for the unamortised portion of a premium or a discount on issue.

Foreign currency transactions. **13.** An officer shall

- (a) translate a transaction of a department that is in foreign currency into Barbados dollars using the exchange rate on the date of the transaction;
- (b) recognise the exchange differences that arise on translation of the transaction referred to in paragraph (a) in a Statement of Financial Performance of the department;
- (c) translate an outstanding foreign exchange contract at the closing exchange rate at the balance date.

Foreign monetary assets. **14.** (1) An officer shall translate a foreign monetary asset of a department at the balance date.

(2) Subject to paragraph (1), the officer shall recognise an exchange difference that arises on translation of the balance of the foreign monetary asset in a Statement of Financial Performance of the department in the period in which the exchange difference arises.

(3) Where a foreign monetary liability is subject to a foreign exchange contract, the officer shall translate the foreign monetary liability into Barbados dollars at the foreign exchange contract rate.

(4) Notwithstanding paragraph (3), the officer shall translate a foreign monetary liability that is not subject to a foreign exchange contract at the closing exchange rate.

(5) The officer shall recognise an exchange gain and an exchange loss in the Statement of Financial Performance of the department in the period in which the exchange gain and exchange loss arise.

15. An officer shall record a receivable and an advance of a department at the amounts expected to be ultimately collected in money by the department. Record of receivables and advances.

16. (1) An officer shall record inventories of a department at the lower of cost and net realisable value. Record of inventories.

(2) Where the officer records the inventories that the department acquires at cost, the officer shall use the weighed average cost method.

17. (1) For the purposes of this rule, reference to item means a good or a service. Investments.

(2) Where a department holds a marketable security for trading purposes, an officer shall record the marketable security at net current value.

(3) Notwithstanding paragraph (2), the officer shall record an investment that the department holds for investment purposes at the lower of cost and net current value.

(4) The officer shall record an investment that the department holds for hedging purposes on the same basis as the item that is being hedged.

Property,
plant and
equipment.

18. (1) Where an item of property, plant and equipment of a department is constructed, an officer shall capitalise the borrowing cost associated with the construction.

(2) The officer shall record an item of plant and equipment of the department at cost less accumulated depreciation.

(3) The officer shall provide for depreciation of an item of property, plant and equipment of the department on a basis directed by the Accountant-General at rates calculated to allocate the cost or valuation of the item of property, plant and equipment, less estimated residual value over the estimated useful life of the property, plant and equipment.

Sixth
Schedule.

(4) The estimated useful life of different classes of property, plant and equipment is stated in the *Sixth Schedule*.

(5) The officer shall revalue land and buildings of the department as directed by the Commissioner of Land Tax.

Identifiable
intangible
assets.

19. (1) An officer shall amortise an intangible asset of a department by a systematic charge to a Statement of Financial Performance of the department over the period of expected benefit.

(2) The maximum period that the officer may amortise an intangible asset is 20 years.

(3) The officer shall review the carrying amount of the intangible asset of the department at the end of each financial year.

(4) Subject to paragraph (3), where there is a permanent impairment in value of the intangible asset of the department, the officer shall charge the impairment to the Statement of Financial Performance of the department.

(5) The officer shall capitalise expenditure on the intangible asset of the department subsequent to the purchase of the intangible asset only when the expenditure adds to the service potential or future economic benefits of the intangible asset.

(6) Subject to paragraph (5), the officer shall expense other expenditure on the intangible asset subsequent to the purchase of the intangible asset when the expenditure is incurred.

20. (1) The Crown shall, in the notes to a Financial Statement of the Crown, disclose Contingent assets.

(a) at balance date, for each class of contingent asset of the Crown, a brief description of the nature of the contingent asset; and

(b) where practicable,

(i) an estimate of the financial effect of the contingent asset;

(ii) an indication of the uncertainties relating to the amount or timing of an inflow of economic benefits; and

(iii) the possibility of a repayment of the contingent asset.

(2) Where the possibility of the inflow of economic benefits is remote, disclosure of the contingent asset of the Crown is required if knowledge of the transaction is necessary to achieve the objectives of general purpose financial reporting.

21. (1) The Crown shall disclose a contingent liability of the Crown in a Statement of Contingent Liabilities of the Crown. Contingent liabilities.

(2) The Crown shall, at balance date, disclose

(a) for each class of contingent liability a brief description of the nature of the contingent liability; and

(b) where practicable,

- (i) an estimate of the financial effect of the contingent liability;
- (ii) an indication of the uncertainties relating to the amount or timing of an outflow of economic benefits; and
- (iii) the possibility of a reimbursement of the contingent liability.

(3) Where the possibility of an outflow of economic benefits is remote, disclosure of a contingent liability of the Crown is required if knowledge of the transaction is necessary to achieve the objectives of general purpose financial reporting.

Liabilities. **22.** An officer shall record a liability of a department other than a contingent liability at the estimated obligation to pay.

Finance leases. **23.** (1) Where a finance lease transfers to the Crown, as lessee, the substantial risk and reward incident on the ownership of a leased asset, an officer shall record the finance lease as a form of borrowing in a Statement of Financial Position of the Crown under the classification Finance Leases.

(2) The officer shall apportion the lease payment of the finance lease between the finance charge and the reduction of the outstanding liability.

(3) The officer shall allocate the finance charge to periods during the lease term to produce a constant periodic rate of interest on the remaining balance of the **[outstanding]** liability for each period.

(4) Where the finance lease gives rise to a depreciation expense for a depreciable asset and a finance expense for each accounting period, the officer shall ensure that the finance lease is in accordance with the depreciation policy for owned assets.

24. Where a lessor substantially retains the risks and rewards of ownership of a leased property, an officer shall recognise the operating lease as an expense in a Statement of Financial Performance of the Crown in a systematic manner over the term of that lease. Operating leases.

25. An officer, in respect of leasehold improvements, shall Leasehold improvements.

(a) capitalise the leasehold improvements;

(b) amortise the cost of the leasehold improvements over the unexpired period of the lease or the estimated useful life of the leasehold improvements, whichever is shorter.

26. An officer shall not, on behalf of a department, enter into a leasehold arrangement in respect of property, plant and equipment without the approval of the Minister. Leasehold arrangements.

PART III

Accounting Officers

- Financial business. **27.** An accounting officer is responsible for the financial business of a department to which he is assigned.
- Duties of accounting officers. **28.** An accounting officer shall in respect of a department to which he is assigned
- (a) ensure that an accounting system of the department is established;
 - (b) maintain the accounting system and ensure that the accounts of the department are properly kept;
 - (c) ensure that moneys that are collectable by the department are collected on time;
 - (d) promptly account for the moneys for which he is accountable under the appropriate heads of expenditure, programmes, sub-programmes and estimates;
 - (e) ensure that there is provision for the safe keeping of moneys, securities, payable orders, vouchers, stamps, stamp dyes, receipt books, carbon copies of receipts, counterfoils of receipts, licences, electronic data and other property of the Crown that is entrusted in his care;

- (f) ensure that officers under his authority that are entrusted with the receipt and expenditure of moneys are supervised;
- (g) conduct surprise inspections of the officers under his authority that are entrusted with the receipt and expenditure of moneys to prevent the occurrence of fraud, embezzlement, carelessness or waste of moneys;
- (h) ensure a payment is not made unless the payment is authorised by the authority expressed on a voucher that relates to the payment;
- (i) promptly charge disbursements in the accounts of the department under the appropriate heads of expenditure, programmes, sub-programmes and items of the estimates;
- (j) ensure that the accounts of the department and other accounting records are correctly posted and up to date;
- (k) where the accounting system and records are computerised, ensure that measures are established and maintained to safeguard the integrity and the reliability of the accounting system and records.

29. Notwithstanding rule 28, an accounting officer shall, in respect Accounts. of a department to which he is assigned,

- (a) report to the Director defects in the procedure of revenue collecting or of waste in expenditure;

- (b) check moneys and stamps in his charge and verify the amount of moneys and stamps with the balance of the moneys and stamps in the accounts of the department;
- (c) promptly account for receipt of moneys or stamps under his charge that are in excess of the balances of the moneys or stamps that are in the accounts of the department;
- (d) promptly reply to queries addressed to him by the Director, the Auditor-General or the Accountant-General and give full particulars and information in respect of the queries;
- (e) render for audit the accounts of the department and prepare the necessary financial statements and returns in respect of the accounts of the department.

Examination
of informa-
tion.

30. An accounting officer of a department shall provide the Director and the Accountant-General with information or access to information, as the Director and the Accountant-General may require, for the purposes of examining the accuracy of information provided with respect to the accounts of the department or the integrity of the financial management system of the department.

Responsibil-
ity of vote.

31. (1) An accounting officer of a department is responsible for sums of the department voted on by the House of Assembly and shall spend the sums in accordance with the purpose that Parliament intends.

(2) The accounting officer shall not expend, carry to a deposit account or suspense in an account an unexpended portion of sums of a vote for the purpose of utilising an anticipated saving.

(3) Where the accounting officer fails to expense sums of a vote according to the purpose that Parliament intends in accordance with paragraph (1) or fails to comply with paragraph (2), the Director may bring a surcharge against the accounting officer in accordance with section 23.

32. Where the House of Assembly requires, an accounting officer of a department shall, through the Public Accounts Committee, account to the House of Assembly on the expenditure of the votes and accounts of a department and the receipt of moneys for which the accounting officer is responsible.

Account to
House of
Assembly.

33. (1) An accounting officer of a department shall, in writing, promptly make a representation to a Minister in respect of a decision of the Minister that relates to the financial administration of the department where the accounting officer disagrees with the decision and the accounting officer

Representa-
tions to the
Minister.

- (a) is unable to defend the decision as a prudent financial administrative decision; or
- (b) regards the decision as inconsistent with his obligation to ensure that the financial administration of the department is carried out
 - (i) to avoid waste of moneys;
 - (ii) with propriety.

(2) Subject to paragraph (1), the accounting officer shall, in the representation, state the decision of the Minister with which he disagrees and the reasons for the disagreement.

(3) Notwithstanding paragraph (2), where the Minister adheres to his decision, the Minister shall, in writing, communicate his adherence to the accounting officer and the accounting officer shall carry the decision into effect.

Liability for funds.

34. (1) Notwithstanding rule 33, where an accounting officer of a department objects to a decision of a Minister that relates to the financial administration of the department and the objection involves the liability of the accounting officer for moneys of the department or the regularity or propriety of payment of moneys of the Crown, the accounting officer shall

(a) state in writing the

(i) decision of the Minister;

(ii) objection to the decision; and

(iii) reasons for the objection;

(b) only authorise payment of moneys of the Crown or make a payment of moneys of the Crown where the Minister overrules the objection.

(2) Where a payment is made under paragraph (1)(b), the accounting officer shall immediately

(a) inform the Director and the Accountant-General, in writing, of the circumstances of the payment; and

(b) forward the documentation that relates to the payment to the Auditor-General.

(3) Notwithstanding paragraphs (1)(b) and (2), where loss, wastage or improper use of moneys of the Crown occurs as a result of the decision of the Minister, the Minister is liable for the loss, wastage or improper use of the moneys of the Crown.

Technical matters.

35. An accounting officer of a department may seek the advice of the Director or Accountant-General on technical matters that affect the accounts of the department or relate to the propriety or regularity of a transaction affecting the accounts of the department.

36. An accounting officer shall, in respect of a department for which he is responsible, furnish to the Director the following as the Director may direct:

Furnishing
of informa-
tion to the
Director.

- (a) estimates of revenue and expenditure of the department for the succeeding financial year;
- (b) revised estimates of revenue and expenditure of the department for the current financial year;
- (c) a projected statement of cash flow of the department;
- (d) a Statement of Performance in respect of each programme of the department on the results of the programmes achieved by the department during the year as compared with the programmes budgeted for that year;
- (e) a schedule of capital assets at the balance sheet date of the department which shall include additions and disposals of capital assets;
- (f) a Statement of Commitments of the department and other liabilities that relate to the programmes of the department;
- (g) other statements that the Director may require.

37. Where an accounting officer is required to supply to the Treasury accounting reports of a department to which he is assigned, the accounting officer shall prepare the accounting reports in accordance with the relevant accounting policies.

Preparation
of reports
to the
Treasury.

PART IV

Collection of Revenue

Duties of
collectors of
revenue.

- 38.** A collector of revenue shall ensure that
- (a) revenue collected on behalf of the Crown is deposited in a bank account of the Crown that the Treasury approves for that purpose;
 - (b) accounting systems, management systems and information systems which recognise earned Crown revenue are maintained;
 - (c) a system of internal control of debtors of the Crown exists;
 - (d) a system of internal control of revenue of the Crown exists;
 - (e) debtors of the Crown are accounted for;
 - (f) receipts relating to Crown revenue are accounted for;
 - (g) procedures are adopted in respect of the collection of debts from debtors of the Crown;
 - (h) the Treasury is provided with revenue forecast of the Crown and the consequential cash flows at the beginning of each financial year.

Furnishing
of estimates
to the
Director.

- 39.** A collector of revenue shall furnish to the Director, as the Director may direct, the following estimates:
- (a) estimates of revenue of the Crown for the succeeding financial year;
 - (b) revised estimates of the Crown for the current financial year.

40. A collector of revenue shall furnish to the Treasury information that relates to Crown revenue as the Treasury may require. Furnishing of information to the Treasury.

41. A collector of revenue is accountable to the House of Assembly, through the Public Accounts Committee, for the punctual collection of revenue due to the Crown for which the collector of revenue is responsible. Accountability to the House of Assembly.

42. (1) For the purposes of this rule, reference to enhancement means an increase in the amount of revenue payable to a department. Recognition of revenue.

(2) An accounting officer, in respect of a department for which he is responsible, shall recognise revenue in the accounts of the department when

- (a) it is probable that the inflow, enhancement or savings in outflows of service potential or future economic benefits occurs; and
- (b) he measures the revenue with reliability.

43. Where a department, in a financial year, collects revenue owed to the Crown, an accounting officer of the department shall not place on deposit or hold in suspense the revenue with the purpose of transferring it to revenue that the department shall collect in a succeeding financial year. Revenue.

44. (1) Where a department has a surplus of moneys, an accounting officer of the department shall immediately Surplus of moneys.

- (a) credit the surplus of moneys to a suspense account of the department; and
- (b) report the surplus of moneys to the Accountant-General.

(2) Subject to paragraph (1), the Accountant-General shall conduct an investigation to determine the cause of the surplus of moneys and the moneys shall remain in the suspense account until the Accountant-General completes the investigation.

(3) Where an investigation conducted under paragraph (2) does not explain the surplus of moneys or the surplus of moneys cannot be adjusted in the accounts of the department, the Accountant-General shall authorise the accounting officer to record the surplus of moneys as revenue.

Record of
revenue.

45. (1) Where a department provides an output and an accounting officer of the department does not receive a payment in respect of the output, the accounting officer shall record the output in the accounts of the department as a receivable.

(2) Where the accounting officer collects revenue for the department and the revenue is not earned, the accounting officer shall regard the revenue as a prepayment and record it as a current liability in the accounts of the department.

Recoveries.

46. (1) Where a department recovers revenue on behalf of the Crown, the recovery shall constitute as revenue where the recovery is independent of the amount of an expense of the department.

(2) Notwithstanding paragraph (1), where a department incurs an expense irrespective of a recovery, the recovery shall constitute as revenue to the department.

(3) Where the department incurs an expense in anticipation of reimbursement for the expense, an accounting officer of the department shall record a recovery of revenue as a reduction in the expense in the accounts of the department.

PART V

Reporting on Assets and Liabilities

47. (1) An accounting officer shall estimate the useful life of property, plant and equipment of a department in accordance with the *Sixth Schedule*.

Depreciation of assets. Sixth Schedule.

(2) The accounting officer shall calculate the depreciation of property, plant and equipment of the department on a straight line basis at a rate that allocates the cost or valuation of the property, plant and equipment less the estimated residual value over the estimated useful life of the property, plant and equipment.

48. (1) An accounting officer of a department shall initially record property, plant and equipment of the department at cost in the accounts of the department.

Record of capital assets.

(2) Where property or plant and equipment of the department is constructed, the accounting officer of the department shall capitalise the borrowing cost associated with the construction of the property or plant and equipment.

49. (1) For the purposes of this rule, reference to plant and equipment includes a motor vehicle and office equipment.

Plant and equipment.

(2) An accounting officer shall record plant and equipment at cost less accumulated depreciation.

- Acquisition of intangible asset costs. **50.** An accounting officer of a department shall identify in the accounts of the department the cost that is associated with the acquisition of an intangible asset by the department.
- Recording costs of intangible assets. **51.** An accounting officer of a department shall initially record an intangible asset in the accounts of the department at cost and thereafter
- (a) at cost less accumulated amortisation and accumulated impairment losses; or
 - (b) where an active market exists in respect of the intangible asset at a revalued amount, being fair value, at the date of the revaluation less subsequent accumulated impairment losses.
- Expenditure on intangible assets. **52.** (1) Where on behalf of the Crown there is expenditure on an intangible asset, an accounting officer of the relevant department shall, subsequent to the purchase of the intangible asset, capitalise on the expenditure of the intangible asset if the expenditure adds to the future economic benefits of the intangible asset.
- (2) Notwithstanding paragraph (1), where the expenditure on the intangible asset does not add to the potential economic benefits or the future economic benefits of the intangible asset, the accounting officer shall expense the purchase of the intangible asset at the period that the expenditure is incurred.
- Individual and group assets. **53.** (1) An accounting officer of a department shall capitalise an individual asset or a group asset of the department where the historical cost of the individual asset or group asset is \$3 000 or greater.

(2) Where the value of the individual asset or the group asset is less than \$3000 or lower than the threshold, the accounting officer shall, in the accounts of the department, expense the individual asset or group asset.

(3) Where an individual asset is less than the threshold but is part of a group of similar assets, the accounting officer may

(a) expense the individual asset or group of similar assets on purchase; or

(b) capitalise the individual asset or group of similar assets at the initial purchase price of the group of similar assets.

(4) Where the accounting officer capitalises the individual asset or group of similar assets in accordance with paragraph (3)(b), the accounting officer shall write off the cost of subsequent replacements of the individual asset or group of similar assets.

54. (1) Where the historical cost of an individual asset or a group of assets of a department is \$3000 or more, an accounting officer of the department shall regard the cost as an upper limit of the threshold. Limits.

(2) Notwithstanding paragraph (1), a department may set lower limits or multiple limits of the threshold in respect of its individual assets or group assets and these limits shall be applied on a consistent basis.

55. (1) The Accountant-General shall review the carrying amount of identifiable intangible assets of the Crown at the end of each financial year. Review of intangible assets.

(2) Subject to paragraph (1), where there is a permanent impairment in the value of the identifiable intangible assets, the Accountant-General shall charge the impairment to a Statement of Financial Performance of the Crown.

Amortisa-
tion of
intangible
assets.

56. The Accountant-General shall amortise an intangible asset of the Crown by a systematic charge to a Statement of Financial Performance of the Crown over the period of expected benefit.

Contingent
assets.

57. The Accountant-General, with respect to contingent assets of the Crown, shall disclose at the balance date the following:

- (a) a description of the nature of the contingent assets;
- (b) where practicable, an estimate of the financial effect of the contingent assets;
- (c) where practicable, an indication of the uncertainties that relate to the amount or the timing of an inflow of the contingent assets;
- (d) where practicable, the possible repayment of the contingent assets.

Operating
leases.

58. (1) The Accountant-General, in respect of an operating lease entered into by the Crown, shall recognise the operating lease in a Statement of Financial Performance of the Crown as an expense.

(2) Subject to paragraph (1), the Accountant-General shall recognise the expense in a systematic manner over the term of the lease where the lessors retain the risks and rewards of ownership of the leased asset.

PART VI

Control of Expenditure

- 59.** (1) An accounting officer of a department shall ensure that the ^{Estimates.}
- (a) estimates of the department form the basis of the accounts of the year to which they relate; and
 - (b) classification and subdivision of the accounts of revenue and expenditure accord with the detail of the estimates.
- (2) Subject to section 6, where further expenditure is necessary for the completion of a service, the accounting officer shall provide for the expenditure, in the year in which the sum is to be expended, the
- (a) Estimates of the department; or
 - (b) Supplementary Estimates of the department.
- (3) The Minister or an officer that the Minister authorises may issue a warrant for expenditure of a department.
- (4) Where the Minister or an officer authorised by the Minister issues a warrant for expenditure of a department, the warrant shall lapse on the last day of the financial year in which he issues the warrant.
- 60.** (1) A department shall not incur expenditure unless an ^{Expendi-} accounting officer of the department provides for the expenditure ^{ture.} in the Estimates or Supplementary Estimates of the department.

(2) Where an officer incorrectly authorises expenditure of the department, the officer is liable to

(a) a surcharge against him by the Director in accordance with section 23; or

Act 2007-41.

(b) disciplinary action in accordance with the *Public Service Act*.

Deferral of expenditure.

61. An accounting officer of a department shall not defer expenditure for the purposes of avoiding an excess on the amount of expenditure provided in the Estimates of the department where the expenditure is properly charged to an account of the department in a financial year.

Charge of expenditure.

62. (1) Where there is a charge against a head of expenditure of a department, an accounting officer of the department shall apply moneys of the department to the purpose for which the moneys are intended and shall make a charge to an account code under which provision of the expenditure is made.

(2) Subject to paragraph (1), where the accounting officer charges expenditure to an account code of the department that is not intended to carry that expenditure, a claim by the accounting officer that the expenditure is necessary and justifiable is not a defence for making the charge.

(3) The accounting officer shall not create a new head or a new account code for items of revenue or expenditure of the department that does not fall within an existing head or an account code appearing in the Estimates of the department without the approval of the Director.

63. An accounting officer of a department shall, in the accounts of the department, expense research costs of the department in the period within which the costs occur. Research costs.

64. (1) An accounting officer of a department shall capitalise development costs of a project of the department where the following criteria are satisfied: Development costs.

- (a) the department is able to
 - (i) clearly define a product or a process;
 - (ii) identify development costs attributable to the product or process;
 - (iii) reliably measure the development costs attributable to the product or the process;
- (b) the technical feasibility of the product or process may be demonstrated;
- (c) the department intends to produce, market or use the product or process;
- (d) there is the existence of a market for the product or process;
- (e) it is demonstrated that the product or process may be used internally by the department;
- (f) it is demonstrated that there are adequate resources available to use the product or process or to complete the project.

(2) Subject to paragraph (1), where the criteria are no longer met, the accounting officer shall expense the unamortised balance of the capitalised development costs of the project.

(3) Capitalised development costs of the project of the department are not to exceed the amount that is probable of recovery from related future economic benefits after the deduction of the following:

- (a) future development costs;
- (b) related production costs directly incurred by the department in marketing the project;
- (c) selling costs and administrative costs directly incurred by the department in marketing the project.

(4) Notwithstanding paragraph (3), where the capitalised development costs of the project exceeds the amount that is probable of recovery from related future economic benefits, the accounting officer shall expense the excess capitalised development costs of the project .

Amortisa-
tion of
development
costs.

65. (1) The Accountant-General shall amortise capitalised development costs of a project of the Crown by a systematic charge to a Statement of Financial Performance of the Crown over the period of expected benefit.

(2) The maximum period that the Accountant-General may amortise capitalised development costs of a project of the Crown is 20 years.

Review of
develop-
ment costs.

66. An accounting officer of a department shall review the development costs of a project of the department at the end of the financial year.

67. (1) An accounting officer of a department shall reflect restructuring costs of the department in the accounts of the department when a liability arises with respect to those costs irrespective of the period within which the restructure takes effect. Restructuring costs.

(2) Subject to paragraph (1), the accounting officer shall immediately appropriate the expense of the restructuring costs where the accounting officer recognises the liability.

(3) The accounting officer shall not reflect the restructuring costs under a category of "Other Expenses" in the accounts of the department unless the Minister approves the restructuring costs.

68. (1) An accounting officer of a department shall include in a Statement of Commitments of the department the following: Statement of commitments.

(a) information on non-cancellable commitments;

(b) cancellable commitments that have penalties or exit costs that are explicit in an agreement that contains an option to cancel the agreement at the value of the penalties or exit costs.

(2) Subject to paragraph (1)(a), the accounting officer shall submit the Statement of Commitments of the department with an appropriation account in respect of the non-cancellable commitments to the Auditor-General and the Accountant-General.

(3) The accounting officer shall not include in the Statement of Commitments of the department interest commitments on debts and commitments that relate to employment contracts.

Capitalisation of intangible assets.

69. An accounting officer of a department shall not capitalise the following of the department:

- (a) internally generated brand;
- (b) masthead;
- (c) publishing title;
- (d) customer list;
- (e) items of a similar class to the items listed in paragraphs (a), (b), (c) or (d).

Extraordinary items.

70. (1) For the purposes of this rule, reference to an extraordinary item means an item of revenue or expenditure of a department that

- (a) derives from an event or a transaction that is not expected to occur frequently;
- (b) is distinct from an ordinary operation of the department;
- (c) is outside the control or influence of an accounting officer or a head of the department.

(2) An accounting officer of the department shall, in the accounts of the department,

- (a) reflect an extraordinary item of the department in the category of "Other Expenses" and "Other Revenues"; and
- (b) accordingly appropriate the extraordinary item.

71. (1) An accounting officer of a department shall not transfer moneys of the department allocated under the following categories of expenditure to another category of expenditure of the department: Virement within a sub-programme.

- (a) personal emoluments;
- (b) non-cash items;
- (c) capital expenditure.

(2) Where a head of a department desires a transfer of moneys from a category of expenditure of the department to another category of expenditure of the department and the categories of expenditure are in the same sub-programme of the department, he shall apply to the Director for the transfer of moneys.

(3) The head of the department, pursuant to paragraph (2), shall submit the following with the application:

- (a) a written justification for the transfer of moneys from the category of expenditure to the other category of expenditure of the department;
- (b) documentation of the amount of moneys allocated under the category of expenditure that the head of the department desires to be transferred;
- (c) evidence that savings exist under the category of expenditure of the department from which the amount of moneys that the head of the department desires to be transferred.

(4) Where the head of the department submits an application to the Director in accordance with paragraphs (2) and (3), the Director shall not approve the application unless he verifies that the documentation of the amount of moneys under the category of expenditure that the head of the department desires to be transferred is reflected in the account code of the department.

Virement
between
sub-
pro-
grammes.

72. (1) Where a head of a department desires a transfer of moneys from a category of expenditure of the department to another category of expenditure of the department and the categories of expenditure are not within the same sub-programme of the department, he shall apply to the Director for the transfer of moneys.

(2) The head of the department, pursuant to paragraph (1), shall submit the following with the application:

- (a) a written justification for the transfer of moneys from the category of expenditure within a sub-programme to the other category of expenditure within another sub-programme of the department;
- (b) documentation of the amount of moneys allocated under the category of expenditure within the sub-programme that the head of the department desires to be transferred;
- (c) evidence that savings exist within the category of expenditure of the sub-programme from which the head of the department desires to make the transfer.

(3) Where the Director receives an application in accordance with paragraphs (1) and (2), he shall forward the application to the Minister.

(4) Notwithstanding paragraph (3), before the Director forwards the application to the Minister, the Director shall verify that the documentation that the head of the department submits under paragraph (2)(b) is reflected in the account code of the department.

PART VII

Management of Crown Assets and Liabilities

73. Where a department makes a payment to a creditor on behalf of the Crown, including the payment of refunds of Crown revenue, an accounting officer of the department shall ^{Payments to creditors.}

- (a) make the payment from a bank account of the Crown that the Accountant-General approves for that purpose;
- (b) make the payment directly to the creditor unless the Accountant-General agrees otherwise;
- (c) operate a system of internal control in respect of the payment to the creditor by the department;
- (d) maintain a management system, an accounting system and an information system that shall
 - (i) recognise expenditure of the department as it occurs;
 - (ii) account for the creditor of the Crown;
 - (iii) account for payments made to the creditor on behalf of the Crown;
- (e) provide forecasts to the Treasury on the expenditure of the Crown and the consequent cash flows;

- (f) provide other information that relate to the expenditure of the Crown as the Treasury may require.

Advanced
payments.

74. A department shall not, in respect of services or supplies, make an advanced payment owed to a person except in accordance with a contract for the services or supplies.

Control of
assets.

75. Where a department manages assets on behalf of the Crown, an accounting officer of the department shall

- (a) operate a system of internal control of the assets of the department that shall include an asset register;
- (b) maintain a management system, an accounting system and an information system that accounts for the assets of the Crown that are managed by the department;
- (c) value the assets or arrange valuations of the assets of the Crown in accordance with Part V and Part VI of the Rules;
- (d) provide the Treasury with information that it may require in respect of the assets.

Asset
manager.

76. (1) For the purposes of this rule, reference to asset manager means an officer of a department that the accounting officer of the department or the head of department assigns to manage and control the capital assets of the department.

(2) An asset manager of a department shall satisfy himself as to the quantity and condition of a capital asset on its receipt for the department.

(3) The asset manager of the department shall maintain a capital asset sub-ledger that shows a continuous balance of each capital asset of the department.

(4) Where there is damage to the capital asset or there is a shortage of the capital asset, the asset manager shall immediately report to the head of his department on the damage to the capital asset or the shortage of the capital asset.

(5) Subject to paragraph (4), the head of the department, where he considers it necessary, shall immediately initiate a claim with the relevant agency in respect of the capital asset where there is damage to the capital asset.

77. (1) An accounting officer of a department shall cause an inspection of the records of the balances of assets and the assets of the department to determine whether the records reflect the assets of the department. Balances of assets.

(2) Where on inspection of the records the accounting officer identifies a discrepancy between the records and the assets, he shall immediately investigate the discrepancy and report the discrepancy to the Director, Auditor-General and Accountant-General.

78. (1) A head of a department and an accounting officer of the department shall cause an inspection of the capital asset sub-ledger and capital assets of the department not less than once a year. Inspection of assets.

(2) Subject to paragraph (1), the accounting officer shall ensure that the capital asset sub-ledger of the department states the date of the inspection and the name of the officer that makes the inspection.

List of assets.

79. (1) An accounting officer of a department shall certify and forward to the Director and Auditor-General, at 31st March of each financial year, the following:

- (a) a list of assets that the department holds;
- (b) an annual appropriation account of the department.

(2) Subject to paragraph (1), the accounting officer shall forward a copy of the list of assets to the Accountant-General.

Unserviceable supplies.

80. (1) The Director may, where necessary, appoint a Board of Survey that shall determine whether supplies of a department are unserviceable or obsolete.

(2) A department shall not condemn supplies of the department as unserviceable unless the Board of Survey referred to in paragraph (1) approves in a report to that effect.

(3) Notwithstanding paragraph (2), an accounting officer of the department, with the approval of the Director, shall condemn supplies as unserviceable where the original price of the supplies is \$5 000 or less.

(4) Where supplies are condemned as unserviceable or obsolete by the Board of Survey, the supplies are to be disposed of by public auction or in a manner as the Director may direct.

(5) Notwithstanding paragraph (4), where the Board of Survey reasonably considers that the supplies are unsuitable for sale, the supplies are to be destroyed unless they can be utilised

(a) immediately; or

(b) for a service of the Crown other than that for which they were purchased.

(6) Subject to paragraph (5), where the Crown retains unserviceable supplies, the Accountant-General shall transfer the unserviceable supplies from the general ledger of the Treasury to a category of "Out of Service" in the subsidiary ledger for capital assets of the Treasury.

(7) Where the Board of Survey condemns supplies, the Director shall submit to the Auditor-General and the Chief Supply Officer a list of the condemned supplies.

81. Where an accounting officer of a department disposes of a capital asset of the department, the accounting officer shall report to the Accountant-General the following: Disposal of capital assets.

(a) the method of disposal of the capital asset;

(b) the date of disposal of the capital asset; and

(c) where applicable, the proceeds from the disposal of the capital asset.

Control of liabilities.

82. Where a department manages liabilities of the Crown, an accounting officer of the department shall

- (a) operate a system of internal control of the liabilities that the department manages;
- (b) maintain a management system, an accounting system and an information system that accounts for the liabilities that the department manages;
- (c) value the liabilities of the Crown in accordance with Part V and Part VI of the Rules;
- (d) provide the Treasury with information as it may require in respect of the liabilities that the department manages.

Approval of contingent liabilities.

83. (1) The Minister shall first approve a contingent liability before the Crown undertakes the contingent liability.

(2) Where the Minister approves a contingent liability, the Minister shall prepare a statement that states that the contingent liability is incurred.

(3) Subject to paragraph (2), the statement shall,

- (a) as the Minister considers appropriate, include details that relate to the guarantee or indemnity of the contingent liability;

(b) as soon as is practicable, be published in the *Official Gazette*;

(c) as soon as is practicable, be tabled in Parliament.

84. (1) The Ministry of Finance shall maintain a Contingent Liabilities Register. Register of contingent liabilities.

(2) The Director shall designate an officer to manage the Contingent Liabilities Register.

(3) The officer designated under paragraph (2) shall disclose in the Contingent Liabilities Register the following:

(a) the nature of the contingent liability;

(b) the date that the contingent liability is incurred;

(c) the authority that authorises the contingent liability;

(d) the terms of the contingent liability;

(e) where the contingent liability is quantifiable, the amount of the contingent liability.

85. The Accountant-General may request information from a department that relates to the revenue, expenditure, assets, liabilities and cash flows of the department. Information on assets and liabilities.

PART VIII

Custody of Crown Assets

- Bank accounts. **86.** (1) Subject to section 14(1), the Director shall determine the officer responsible for the operation of a bank account of a department.
- (2) Notwithstanding paragraph (1), the Accountant-General is responsible for Crown bank accounts.
- Signatories to Crown bank accounts. **87.** A head of a department, under the direction of the Accountant-General, shall determine the officers designated as account signatories to a Crown bank account.
- Payment of moneys. **88.** (1) For the purposes of this rule, reference to payment includes a payment made by a cheque, tape, electronic fund or transfer.
- (2) A payment shall not be made to a person from a Crown bank account without the authorisation of 2 account signatories to the Crown bank account unless the Accountant-General, in writing, directs otherwise.
- Cheques. **89.** Where an accounting officer of a department draws a cheque on a bank account of the department, the accounting officer shall print the name of the department on the drawn cheque.

90. An accounting officer of a department, in respect of a bank account of the department, shall

Reconciliation of bank accounts.

- (a) not less than once a month, reconcile the statement on the bank account of the department with the balance shown in the cash book or ledger;
- (b) submit a copy of the reconciliation of the bank account of the department to the Treasury.

91. An accounting officer of a department shall maintain a positive balance on a bank account of the department unless otherwise authorised by affirmative resolution of the House of Assembly.

Balance on bank accounts.

92. A head of a department shall estimate the cash flow of the operation of the department and activity of the Crown that the department manages as part of the budget of the department.

Cash flow.

93. The Treasury is responsible for the transfer of funds required for the operation of business of the Crown to a foreign currency bank account of the Crown.

Transfer of funds to foreign currency bank accounts.

94. An accounting officer of a department is responsible for the care and security of the following place of custody of the department that are in his charge:

Places of custody.

- (a) cash box;
- (b) safe;

- (c) strong room;
- (d) other place of custody.

Location of safes. **95.** (1) A head of a department shall ensure that a safe of the department is embedded in concrete in a wall or in the floor of a room in the department.

- (2) An accounting officer of the department shall
 - (a) furnish to the Accountant-General particulars of the location of the safe of the department; and
 - (b) where the location of the safe of the department changes, notify the Accountant-General of the change of location of the safe.

Delivery of keys of safe or strong room. **96.** An officer who delivers to another officer a key to a safe or a key to a door of a strong room shall ensure that the key is placed in an envelope sealed with wax before the delivery of the key to the other officer.

Keys and combinations of safe or strong room. **97.** (1) An officer who has charge of a safe or a strong room of a department shall deposit, by hand, a duplicate key or combination of the safe or the door of the strong room, as the case may be, with an accounting officer of the department.

- (2) Subject to paragraph (1), rule 98(2) and rule 98(3), the accounting officer shall
 - (a) where applicable, enclose the duplicate key in an envelope sealed with wax;

(b) where applicable, enclose the combination in an envelope sealed with wax; and

(c) deposit the sealed envelope with the Accountant-General.

(3) Subject to paragraph (2), the accounting officer shall ensure that the sealed envelope contains the following information:

"Department.....
Office/Station.....
Description of safe or door.....
Manufacture's No. of safe or door.....
Manufacture's No. of key.....
.....
Accounting Officer"

(4) Subject to paragraph (2), the Accountant-General shall sign an acknowledgment of receipt and forward the acknowledgment to the accounting officer.

(5) Subject to paragraph (2), where the Accountant-General receives a combination, he shall not give the combination to another person.

98. (1) Where a safe or a door of a strong room in a department contains a combination lock, an officer who has charge of the safe or the strong room shall set the combination of the combination lock. Combina-
tion locks.

(2) Where the officer who has charge of the safe or the strong room of the department changes the combination of the combination lock, the officer shall deposit, by hand, the new combination with an accounting officer of the department.

(3) Where a new officer replaces the officer who has charge of the safe or the strong room of the department, the new officer shall

- (a) change the combination of the combination lock on the safe or door of the strong room, as the case may be; and
- (b) deposit, by hand, the new combination with an accounting officer of the department.

(4) Subject to paragraphs (2) and (3) and rule 97(1), the officer who has charge of the safe or strong room shall not give the combination to another person.

(5) Subject to paragraphs (2) and (3), rule 97(1) and rule 97(2), the accounting officer shall not give the combination to another person.

Availability
of keys and
combina-
tions.

99. An officer who has charge of a key to a safe or a door of a strong room or the combination of a safe shall keep that information in a manner that, where necessary, the information may be readily obtained.

Responsibil-
ity for keys
and
combina-
tions.

100. (1) An officer who has charge of a key to a safe or a door of a strong room of a department or a combination for a combination lock for a safe or a door of a strong room of a department is liable for the

- (a) custody of the
 - (i) key;
 - (ii) combination;
- (b) content of the
 - (i) safe;
 - (ii) strong room.

(2) An officer who has charge of a key for a place of custody of a department other than a safe or a door of a strong room is responsible for the safe custody of the key for that place.

(3) Subject to paragraphs (1) and (2), the officer shall not cause the key of a safe, a door of a strong room or other place of custody to be out of his possession.

101. (1) An accounting officer shall maintain a Register of Safes and Strong Rooms of a department to which he is assigned.

Register of safes and strong rooms.

(2) Subject to paragraph (1), the accounting officer shall include in the Register of Safes and Strong Rooms the following:

- (a) the name, signature and designation of the officer responsible for the security of a safe of the department or a strong room of the department;
- (b) where applicable, the date the officer receives the key of the safe of the department or door of the strong room of the department;
- (c) where applicable, the name, signature, designation and department of the officer who delivers the key of the safe of the department or door of the strong room of the department;
- (d) where applicable, a description of the number and the manufacturer of the safe of the department;
- (e) the department in which the safe or strong room is located;
- (f) where applicable, a record of duplicate keys to the safe or to the door of the strong room;
- (g) where applicable, a record of the combination of the safe of the department;
- (h) where applicable, a record of the combination on the door of the strong room.

(3) The accounting officer shall furnish the information contained in the Register of Safes and Strong Rooms of the department to the Accountant-General.

(4) The information in the Register of Safes and Strong Rooms is to be confidential.

Issue of duplicate keys.

102. (1) A duplicate key for a safe or a door of a strong room of a department shall not be issued to an officer without the approval of an accounting officer of the department.

(2) Subject to paragraph (1), where an officer receives a duplicate key for a safe or a door of a strong room of the department, the accounting officer shall record in the Register of Safes and Strong Rooms the following:

- (a) the name and designation of the officer;
- (b) the department to which the officer is assigned;
- (c) the date the officer receives the key.

Loss of keys to a safe or strong room.

103. (1) Where an officer loses a key of a safe or a door of a strong room of a department, he shall immediately report the loss to an accounting officer of the department.

(2) Where in accordance with paragraph (1) the officer reports the loss to the accounting officer, the accounting officer shall

- (a) immediately report the loss of the key to the nearest police station;
- (b) implement safeguards to prevent an unauthorised person from opening the safe or the door of the strong room, as the case may be;
- (c) implement safeguards of the contents of the safe or strong room, as the case may be;

- (d) make a report to the Accountant-General stating the precautions implemented to prevent an unauthorised person from opening the safe or the door of the strong room, as the case may be;
 - (e) immediately cause the lock to the safe or the door to the strong room, as the case may be, to be replaced;
 - (f) where applicable, cause a duplicate of the new key to the safe or door to the strong room to be deposited with the Accountant-General;
 - (g) where applicable, cause the combination of a new combination lock of the safe or door to the strong room to be deposited with the Accountant-General.
- (3) The officer responsible for the lost key to the safe or door of the strong room shall pay for
- (a) the expenses incurred in the replacement of the lock to the safe or to the door of the strong room; and
 - (b) where applicable, the duplication of the key to the new lock to the safe or to the door of the strong room.
- (4) Notwithstanding paragraph (3), the Director may direct that the officer responsible for the lost key
- (a) is relieved of the responsibility of payment of the expenses incurred in the replacement of the lock to the safe or door to the strong room; or
 - (b) shall pay for the expenses incurred in part.

104. (1) A person shall not, without the authorisation of an accounting officer of a department or the Accountant-General open a safe or strong room of the department, whether

Opening safes or strong rooms.

- (a) by force;
- (b) with a key or a combination to the safe or the strong room; or
- (c) otherwise.

(2) A person who contravenes paragraph (1) is guilty of an offence and is liable on summary conviction to imprisonment for 2 years or to a fine of \$2 000 or both.

Sealing of safes and strong rooms.

105. (1) The Auditor-General or a person duly authorised by him may seal a safe, a strong room or other place of custody in a department.

(2) A person shall not break, remove or tamper with a seal on a safe, strong room or other place of custody in the department unless that person is the Auditor-General or a person that the Auditor-General duly authorises to do so.

(3) A person who contravenes paragraphs (2) is guilty of an offence and is liable on summary conviction to imprisonment for 2 years or to a fine of \$2 000 or both.

Security of confidential information.

106. (1) An accounting officer of a department shall keep moneys, counterfoil books, security documents and stamps of the department in a safe or a strong room of the department.

(2) Where confidential information in respect of the moneys, counterfoil books, security documents or stamps is stored on a computer in the department, the accounting officer shall ensure that the computer is protected by a password.

Deposit of moneys.

107. (1) An officer responsible for the receipt of moneys on behalf of the Crown shall not keep the moneys in a cash box overnight.

(2) The officer who receives moneys on behalf of the Crown shall, as soon as practicable, ensure that the moneys are deposited in a safe or strong room of a relevant department responsible for storing the moneys until the moneys are paid into the Treasury or a Treasury bank account.

(3) Where the department does not have a safe or a strong room, the officer shall immediately ensure that the moneys are deposited in an appropriate account of the Crown or that the moneys are paid to the Accountant-General.

(4) Where the officer fails to comply with paragraphs (1), (2) or (3) and the moneys are lost or part of the moneys are lost, the Director may bring a surcharge against the officer in accordance with section 23.

108. An officer shall not keep moneys other than moneys that he is to receive and account for in respect of the Crown in a safe or strong room of a department. Moneys in safes and strong rooms.

109. An officer shall not keep moneys other than moneys of the Crown or moneys that are in the care of the Crown in a Crown bank account. Moneys in bank accounts.

110. (1) An officer shall prepare a handing over statement where he receives any of the following items of a department from another officer: Handing over statement.

- (a) moneys;
- (b) receipt form;
- (c) licence form;
- (d) cheque book;
- (e) safe;
- (f) cash box.

(2) The handing over statement shall contain the following information:

- (a) the name and signature of the officer handing the item to the receiving officer;
- (b) the name and signature of the receiving officer;
- (c) the date the item is handed over;
- (d) the designation and department of the officers;
- (e) the item received by the receiving officer;
- (f) the quantity of the item;
- (g) where applicable, a record of the keys or combination for a safe, a door of a strong room or other place of custody that contains the items.

(3) Subject to paragraph 2(g), the officers, where applicable, shall not give the combination to another person.

Checking of
moneys.

111. Where an officer hands moneys of the Crown or moneys in care of the Crown to another officer, the officers shall check the moneys in accordance with the manner that the Director prescribes for the Cash Board of Survey to check moneys.

Retention
of moneys.

112. (1) The Accountant-General shall determine the maximum amount of moneys of a department that an accounting officer or a collector of revenue may retain with respect to the department.

(2) Subject to paragraph (1), where the accounting officer or collector of revenue receives a balance that exceeds that determined by the Accountant-General, the accounting officer or collector of revenue shall deposit the excess in accordance with rule 152.

113. (1) Where an officer responsible for moneys in a department hands over his duties to another officer responsible for moneys, he shall check the balance of moneys of the department with the other officer. Certifying balances of moneys.

(2) Subject to paragraph (1), the officers shall prepare and sign a certificate that the balance of moneys of the department was checked by the officer that

- (a) was responsible for the moneys of the department;
- (b) is assigned the duties of the officer that was responsible for the moneys of the department.

(3) The officer who takes over the duties of the officer that was responsible for the moneys of the department shall ensure that the balance of moneys agrees with the moneys reflected in the cash book or ledger of the department.

114. (1) An accounting officer of a department is responsible for the issue of stamps to an officer of the department. Stamps.

(2) Notwithstanding paragraph (1), the accounting officer of the department may assign an officer of the department to be responsible for the issue of stamps to an officer of the department.

(3) The accounting officer or the assigned officer, as the case may be, shall keep a stock book of the department and it shall contain the following:

- (a) the number of stamps issued to the department;
- (b) the denomination of the stamps issued to the department;
- (c) where he issues stamps to an officer of the department the
 - (i) name and designation of the officer;
 - (ii) number of stamps issued to the officer;

- (iii) signature of the officer next to the record of the number of stamps he issues to the officer;
- (iv) date he issues the stamps to the officer.

(4) Where an officer receives stamps from the accounting officer, he shall sign and date the stock book as acknowledgment of receipt of the stamps.

Custody of stamps.

115. An accounting officer of a department shall keep the main stock of stamps assigned to the department in a safe or a strong room of the department.

Examination of places of custody.

116. (1) An accounting officer in charge of the department of accounts of a department or a head of department shall conduct a surprise inspection of a safe, strong room, cash box, drawer or other place of custody of the department used by an officer entrusted with the custody of stamps, moneys or other valuables who is under the charge of that accounting officer.

(2) The accounting officer in charge of the department of accounts or head of department shall conduct the surprise inspection of the safe, strong room, cash box, drawer or other place of custody of the department at intervals of not more than 6 months a year.

(3) Subject to paragraphs (1) and (2), the accounting officer in charge of the department of accounts or the head of department, as the case may be, shall maintain a book which records the results of the inspection.

(4) Subject to paragraph (3), the accounting officer in charge of the department of accounts or head of department, as the case may be, shall state in the book the following:

- (a) the date of the inspection;
- (b) the safe, strong room, cash box, drawer or other place of custody that he inspects;
- (c) the name of the officer entrusted with the custody of moneys, stamps or other valuables;
- (d) the amount of moneys, stamps or other valuables kept in the place of custody;
- (e) the result of the inspection;
- (f) the name and signature of the inspecting officer.

(5) The accounting officer in charge of the department of accounts or head of department shall present the book to the Auditor-General or a representative of the Auditor-General at the completion of each inspection of the place of custody and the Auditor-General shall initial and date the book.

(6) Where the accounting officer in charge of the department of accounts or head of department fails to conduct an inspection in accordance with paragraphs (1) and (2), the Auditor-General shall notify the Director of the failure.

117. Where moneys are in transit from a department, a head of the department shall Moneys in transit.

- (a) provide an escort for the moneys; and
- (b) where the head of the department determines that it is necessary, provide insurance for the moneys.

PART IX

Management of Trust Assets

Interpreta-
tion. **118.** For the purposes of this Part, reference to trust asset includes moneys

- (a) that a person deposits with the Crown pending the completion of a transaction or dispute that may become payable to the person who deposited the money, the Crown or another person;
- (b) that a person pays into Court for a possible repayment to a payee or a third party by virtue of an Act, rule or an authority;
- (c) investments or property that the Crown holds on trust for a purpose;
- (d) that belong to or is due to a person and is collected by the Crown pursuant to an agreement between the Crown and the person.

Moneys of
the Crown. **119.** (1) For the purposes of these Rules, where a department holds moneys that are not moneys that the department holds on trust, the moneys are moneys of the Crown.

(2) Subject to section 30, unclaimed moneys held as a trust asset are to be taken as moneys of the Crown.

120. (1) The Accountant-General shall, under the direction of the Director, manage and invest moneys that the Crown holds on trust. Managing moneys held on trust.

(2) Subject to paragraph (1), the Accountant-General may, with the approval of the Director, appoint an officer to act on the behalf of the Accountant-General in respect of managing and investing the moneys.

(3) Where the Accountant-General appoints an officer to act on his behalf, the Accountant-General shall issue a written notice of the appointment to the officer.

121. (1) The Accountant-General shall appoint an officer to manage a trust asset that a department holds separately from moneys of the Crown. Accounting for trust assets.

(2) Subject to paragraph (1), the officer shall

- (a) separate the trust asset that the department holds from moneys of the Crown;
- (b) bank moneys that the department holds on trust in a separate account in respect of each trust;
- (c) account for moneys the department holds as a trust asset;
- (d) maintain documentary evidence of contributions, distributions, revenue and expenses for each beneficiary of the moneys.

Manage-
ment of
trust assets.

122. (1) Subject to rule 121, an officer that the Accountant-General appoints to manage a trust asset that a department holds shall

- (a) establish and maintain an internal control system in respect of the management of the trust asset;
- (b) include in the internal control system
 - (i) a detailed record of the trust asset;
 - (ii) procedures for the receipt of the trust asset;
 - (iii) procedures that authorise payments that relate to the trust asset; and
 - (iv) a monthly reconciliation of trust bank accounts and investments in respect of the trust asset.

(2) Subject to paragraph (1), the officer shall include in the detailed record the following:

- (a) evidence that supports the existence of the trust asset including
 - (i) a contract;
 - (ii) legislation;
 - (iii) a trust deed;

- (b) the name of the depositor of the trust asset;
- (c) the name of the beneficiary of the trust asset;
- (d) the date of deposit of the trust asset;
- (e) the institution which holds an investment with respect to the trust asset and the amount of the investment;
- (f) the interest terms of the trust asset;
- (g) the maturity date of the trust asset;
- (h) the date the deposit of the trust asset is to be refunded to the beneficiary;
- (i) where the deposit of the trust asset is refunded to the beneficiary, the date the beneficiary receives the refund and the amount of the interest refunded;
- (j) where the deposit of the trust asset is released from a trust account, the authority that releases the deposit of the trust asset and the date the authority releases the deposit of the trust asset.

123. (1) Subject to rule 121, an officer that the Accountant-General appoints to manage a trust asset that a department holds shall submit a report on the trust asset to the

Reports of
trust assets.

- (a) Director and the Accountant-General
 - (i) in an approved form;
 - (ii) at September and March of the financial year;
- (b) Accountant-General as he may request.

(2) Subject to paragraph (2), the Accountant-General shall include the report in a financial statement of the Crown.

Trust bank
accounts.

124. A person shall not make a payment from a trust bank account that contains moneys that the Crown holds on trust unless the moneys that represent the payments are credited to the trust bank account.

Unclaimed
moneys
held on
trust.

125. (1) An accounting officer of a department that manages unclaimed moneys that the department holds on trust shall

- (a) credit the unclaimed moneys to a Crown bank account; and
- (b) provide full details of the payment of the unclaimed moneys into the Crown bank account to the Accountant-General.

(2) Notwithstanding paragraph (1), where a person makes a subsequent claim on the moneys, the claim is to be treated in accordance with section 30(2).

Interest on
moneys
held on
trust.

126. (1) Where interest is earned on moneys held as a trust asset by a department, an accounting officer of the department that manages the moneys on behalf of the trust shall add the interest to the original sum of the moneys and shall account for the interest apportioned to each beneficiary or the interest distributed to each beneficiary.

(2) Notwithstanding paragraph (1), the accounting officer shall consult with the Treasury on the method of apportioning the interest earned on the moneys where the head of the department is not of the view that the method prescribed under paragraph (1) is practicable.

PART X

Accounting for Moneys

127. An accounting officer of a department shall keep a vote ^{Vote} control in an approved form and it shall contain the following in respect ^{control.} of each vote for the department:

- (a) the total amount of expenditure the House of Assembly sanctions for the service of the department for the financial year;
- (b) the detailed amount of expenditure charged in the financial year;
- (c) other liabilities or commitments in respect of the service of the department for the financial year;
- (d) the total value of warrants that the Minister or an officer that the Minister authorises issues;
- (e) the charges and balances in respect of the warrants;
- (f) the available balance remaining on the vote.

128. (1) An accounting officer, a collector of revenue and other ^{Cash book.} officer responsible for the receipt of moneys of a department shall, in respect of moneys of the department, keep

- (a) a cash book;
- (b) where necessary, a ledger;
- (c) a subsidiary record of the moneys.

(2) The accounting officer, collector of revenue and other officer responsible for the receipt of moneys shall

- (a) ensure that the cash book is balanced; and
- (b) verify daily that the balance in the cash book is correct.

Duties of
the
Account-
ant-
General.

129. (1) The Accountant-General shall

- (a) monitor the collection and receipt of revenue of the Crown;
- (b) supervise the disbursement of moneys of the Crown;
- (c) where the Accountant-General is of the view that there is an excessive disbursement of moneys of the Crown, inform the Director of the disbursement in writing;
- (d) promptly account for moneys the Accountant-General receives that is due to the Crown under the appropriate heads and standards of accounts;
- (e) promptly charge to the appropriate accounts disbursements from moneys of the Crown whether the disbursements are for expenditure or other payments;
- (f) supervise the receipt and payment of moneys by his department;
- (g) conduct checks of his department and surprise inspections of his department with a view to prevent fraud, embezzlement and carelessness in respect of moneys.

(2) The Accountant-General shall, in respect of his department provide for the safe keeping of the following:

- (a) moneys;
- (b) stamps;
- (c) securities;
- (d) other valuable documents.

(3) The Accountant-General shall supervise accounting officers as they exercise their duties in accordance with rule 28.

130. An accounting officer, a collector of revenue or other officer responsible for the receipt of moneys who is assigned to a department shall ensure that the pages of the accounts of the department and other records of the department in respect of moneys are numbered in numerical sequence. Numbering of records of moneys.

131. Where an accounting officer, a collector of revenue or other officer responsible for moneys of a department manually maintains accounting records of the department, he shall write the accounting records in permanent ink or shall maintain the accounting records by typescript or print. Manual accounting records.

132. Where an accounting officer, a collector of revenue or other officer responsible for moneys of a department, in respect of a transaction of the department, makes an entry into a record of accounts of the department, he shall support the entry with an original source document or a voucher that contains the full particulars of the transaction. Entries in accounting records.

Alterations
and
erasures.

133. (1) An officer shall not make an erasure

(a) in the accounts of a department; or

(b) on a voucher.

(2) An officer shall not alter figures in the accounts of a department or a voucher that the department issues.

(3) Notwithstanding paragraph (2), an officer who certifies a voucher in accordance with these Rules may make an alteration on the voucher.

(4) Where an officer makes an alteration on a voucher in accordance with paragraph (3), he shall initial and date the alteration.

Alterations
to electronic
records and
audited
figures.

134. An officer who is duly authorised by the Accountant-General may make an alteration in the electronic accounts of a department.

Alterations
of manual
records.

135. Where an officer makes an alteration to an entry into a record of accounts of a department that the department manually maintains other than the accounts of a department, the officer shall

(a) rule out the original entry in ink and insert the correction in ink;
and

(b) initial and date the alteration.

136. (1) An officer shall not use green ink or pencil in a transaction of business of a department unless the officer is assigned to Use of ink and pencils.

- (a) the Audit Department and the green ink or pencil is used in the transaction of business of the Audit Department; or
- (b) a department that prepares maps or plans and the green ink or pencil is used in the preparation of the maps or plans.

(2) An officer shall not use red ink or red pencil in the transaction of business of a department unless the officer is assigned to the department of the Accountant-General and the red ink is used in the transaction of business of that department.

PART XI

Imprest

137. (1) An accounting officer of a department may, on behalf of the department, apply to the Accountant-General for an Application for imprest. imprest.

(2) The accounting officer shall state on the application the amount required for the imprest and the purpose of the imprest.

(3) Subject to paragraphs (1) and (2), the accounting officer shall ensure that it is necessary for the department to have the imprest and that the amount stated on the application is the required amount.

- Issue of imprest. **138.** Notwithstanding rule 137, where it is more convenient for a department to make payments when expenditure is incurred, the Minister may authorise the Accountant-General to issue an imprest to the department for a sum that does not exceed \$1 000.
- Imprest. **139.** (1) Where an imprest is issued to a department, the imprest is to be reimbursed, as required, during the financial year and at the end of each financial year.
- (2) An officer who holds the imprest shall
- (a) keep a cash book; and
- (b) record the receipts and disbursements of the department that relate to the imprest in the cash book.
- (3) The officer who holds the imprest is accountable for the amount of the imprest.
- Retirement of imprest. **140.** An officer who holds an imprest that the Accountant-General issues to a department shall retire the imprest to the Treasury by payment to the Accountant-General of the full amount of the imprest where the
- (a) imprest is no longer required; or
- (b) department is abolished.

PART XII

Cash Board of Survey

- 141.** (1) The Director shall appoint a Cash Board of Survey. Appoint-
ment of
Cash Board
of Survey.
First
Schedule.
- (2) The *First Schedule* has effect as to the constitution of the Cash Board of Survey and otherwise in relation thereto.
- 142.** The Director shall prescribe the Prescrip-
tion of
duties of
Cash Board
of Survey.
- (a) duties of the Cash Board of Survey;
- (b) manner in which the Cash Board of Survey checks moneys.
- 143.** (1) Notwithstanding rule 142, the Cash Board of Survey shall, Examina-
tion of
valuables in
custody of
the
Account-
ant-
General. between the close of the last business day of each financial year and the first business day of the succeeding financial year, examine the moneys, bank balances, stamps and other valuables that are in the custody of the Accountant-General.
- (2) Subject to paragraph (1), an officer of a department shall not conduct money transactions between the close of business at the end of a financial year and the first business day of the succeeding financial year.
- (3) Subject to paragraph (1), the appointment of the Cash Board of Survey is to be confidential.
- 144.** (1) Notwithstanding rule 142, the Cash Board of Survey shall, Duties of
Cash Board
of Survey.
- (a) hold surveys of moneys, bank balances, stamps and other valuables in the custody of the Accountant-General;

- (b) hold surveys of moneys, bank balances, stamps and other valuables of a department that are in the custody of
 - (i) an accounting officer;
 - (ii) a collector of revenue;
 - (iii) an officer responsible for moneys;
- (c) count currency notes, coins and stamps in the custody of the Accountant-General;
- (d) count currency notes, coins and stamps of a department that are in the custody of
 - (i) an accounting officer;
 - (ii) a collector of revenue;
 - (iii) an officer responsible for moneys;
- (e) examine cheques, payable orders, postal orders, money orders, drafts or other documents that form part of the cash balances of a department;
- (f) obtain certificates of bank balances of a department from the bank and ensure that the bank balances reconcile with the bank balances in the cash book of the department;
- (g) where applicable, obtain from an officer responsible for the strong room or safe of a department a certificate that states that moneys, stamps and other valuables in the strong room or safe of the department were produced to the Accountant-General in accordance with rule 146(2).

(2) A representative of the Accountant-General and an officer responsible for moneys

- (a) are to be present where the Cash Board of Survey conducts its duties under paragraphs (1)(a), (1)(b), (1)(c) or (1)(d); and
- (b) shall remain present until the duties of the Cash Board of Survey are completed.

(3) Notwithstanding rule 105, the Cash Board of Survey shall seal a safe, strong room or other place of custody of a department where

- (a) in the safe, strong room or other place of custody there is an unverified portion of the amount of
 - (i) moneys;
 - (ii) stock of stamps; and
- (b) it suspends the verification of moneys or stamps in the safe, strong room or other place of custody.

(4) Where a member of the Cash Board of Survey seals a safe, strong room or other place of custody in the department in accordance with paragraph (3), a person shall not break, tamper or remove the seal except in the presence of the members of the Cash Board of Survey.

(5) A person who contravenes paragraph (4) is guilty of an offence and is liable on summary conviction to imprisonment for 2 years or a fine of \$2 000 or both.

145. Where the Cash Board of Survey observes that an accounting officer, a collector of revenue or other officer responsible for the receipt of moneys fails to comply with rule 128(2), the Cash Board of Survey shall mandate that he complies with that rule. Compliance by officers.

Surveys. **146.** (1) Notwithstanding the duties of the Cash Board of Survey under this Part, the Accountant-General shall survey safes, strong rooms, cash boxes and other places of custody of a department.

(2) Subject to paragraph (1), an officer responsible for the safes, strong rooms, cash boxes or other places of custody shall produce moneys, stamps and other valuables in the places of custody to the Accountant-General.

(3) Notwithstanding paragraph (1), the Accountant-General may, conduct surveys on the accounts of an accounting officer.

(4) Subject to paragraph (3), the Accountant-General shall not inform the accounting officer of the date or time that surveys are to be conducted.

Report of Cash Board of Survey. **147.** Where the Cash Board of Survey conducts a survey and an examination in accordance with rule 143(1) or rule 144, the Cash Board of Survey shall

(a) prepare a report of the results of the survey or examination, as the case may be;

(b) where applicable, attach the certificate produced in accordance with rule 144(1)(g) to the report;

(c) submit the report to the Director.

Surplus of valuables. **148.** (1) Subject to rules 143(1) and 144, where the Cash Board of Survey discovers a surplus of moneys, stamps or other valuables of a department, the Cash Board of Survey shall require the Accountant-General, an accounting officer, a collector of revenue or other officer responsible for moneys of the department to immediately bring it to account as surplus.

(2) An officer shall not place on deposit or reserve a surplus of moneys, stamps or other valuables of a department to facilitate possible shortages of valuables of the department.

PART XIII

Receipt of Moneys

149. (1) An accounting officer of a department that collects revenue on behalf of the Crown shall keep and maintain a Receipt Book Register of the department. Receipt Book Register.

(2) The accounting officer shall include in the Receipt Book Register a record of

- (a) a receipt form that the department issues to a person; and
- (b) receipt books of the department.

150. Where an accounting officer, a collector of revenue or an officer responsible for moneys of a department makes an entry in the accounts of the department, he shall make the entry in an approved form. Entries in accounts.

151. (1) An accounting officer, a collector of revenue or an officer responsible for moneys of a department who, on behalf of the Crown, receives a payment of a sum of moneys from a person shall issue to that person a receipt form for the payment of the sum of moneys at the time the payment is made. Receipt of moneys.

(2) Where the accounting officer, collector of revenue or officer responsible for moneys uses a receipt form that is not electronically generated, he shall impress the date on the receipt form with a date stamp.

(3) Subject to paragraph (1), the accounting officer, collector of revenue or officer responsible for moneys shall not use, advance or lend the sum of moneys or part thereof that he receives on behalf of the Crown.

(4) The accounting officer, collector of revenue or officer responsible for moneys is accountable for moneys he receives on behalf of the Crown.

(5) Where the accounting officer, a collector of revenue or an officer responsible for moneys contravenes paragraph (3), the Director may bring a surcharge against him in accordance with section 23.

Payment of
moneys
into
accounts.

152. (1) Where an accounting officer, a collector of revenue or an officer responsible for moneys receives revenue or other moneys on behalf of the Crown, he shall pay the revenue or other moneys into the Treasury account or a Crown bank account that the Director approves on the same day he receives the revenue or moneys or as soon as is practicable.

(2) Subject to paragraph (1), the accounting officer, collector of revenue or officer responsible for moneys shall obtain an acknowledgement of the payment of revenue or other moneys of the Crown from the

- (a) Treasury, where the payment is made into the Treasury; or
- (b) bank, where the payment is made into a Crown bank account.

Receipts for
sums of
moneys.

153. (1) Where an accounting officer, a collector of revenue or an officer responsible for moneys of a department issues a receipt form from the department to a person who pays money to the department, he shall use a receipt book that

- (a) consists of 25, 50 or 100 receipt forms;
- (b) contains duplicate receipt forms;
- (c) is numbered by a machine;
- (d) is perforated.

(2) The accounting officer, the collector of revenue or the officer responsible for moneys that issues the receipt form from the receipt book shall

- (a) place carbon paper between the receipt form and the duplicate form;
- (b) write on the receipt form in ink or indelible pencil;
- (c) state on the receipt form the
 - (i) name of the person that pays the sum of money;
 - (ii) date the person pays the sum of money;
 - (iii) amount of the sum of money that the person pays;
 - (iv) purpose for which the person pays the sum of money;
- (d) sign the receipt form.

154. (1) Notwithstanding rule 153, where the operation of a department is computerised, an accounting officer, a collector of revenue or an officer responsible for moneys of the department may issue electronically generated receipt forms and electronically generated duplicate receipt forms to a person. Electronic receipts and forms.

(2) Where a department issues electronically generated receipt forms, and electronically generated duplicate receipt forms, the department shall have a template of the electronically generated receipt forms and the electronically generated duplicate receipt form that it issues.

(3) Subject to paragraph (2), the accounting officer, collector of revenue and officer responsible for moneys shall ensure that the template is kept in safe custody.

Erasures
and
amendments
on receipts.

155. (1) A person shall not make an erasure on a receipt form that an accounting officer, a collector of revenue or an officer responsible for moneys of a department issues from the department.

(2) Notwithstanding paragraph (1), the accounting officer, collector of revenue or officer responsible for moneys who signs the receipt form may make an amendment on the receipt form.

(3) Where an amendment is made in accordance with paragraph (2), the accounting officer, collector of revenue or officer responsible for moneys shall initial the amendment.

(4) A person who contravenes paragraph (1) commits an offence and is liable on summary conviction to a fine of \$500.

Cancellation
of
receipts.

156. (1) An accounting officer, a collector of revenue or an officer responsible for moneys of a department shall cancel a receipt form and prepare a new receipt form where he makes an error on the original receipt form in respect of the

(a) name of a person that pays money to the department; or

(b) amount of money that a person receives from the department.

(2) Where the accounting officer, collector of revenue or officer responsible for moneys cancels a receipt form, he shall

(a) write in ink or indelible pencil the word "CANCELLED" across the face of the

(i) receipt form;

(ii) duplicate receipt form; and

(b) paste the original receipt form to the margin of the duplicate receipt form.

157. (1) An accounting officer, a collector of revenue or an officer responsible for moneys of a department shall not issue a copy of a receipt form from the department to a person. Copies of receipts.

(2) Notwithstanding paragraph (1), a person may apply to an accounting officer, a collector of revenue or an officer responsible for moneys of the department for a certificate of payment in respect of a sum of money that the person paid to the Crown.

158. (1) The Government Printer or the Accountant-General, shall Sequence of receipt books and receipt forms.

(a) issue to a department receipt books in consecutive order; and

(b) prepare receipt forms in numerical sequence.

(2) An accounting officer, a collector of revenue or an officer responsible for moneys of a department shall ensure that the numbers of the receipt forms and duplicate receipt forms are in numerical sequence before the use of the receipt books or receipt forms.

(3) Subject to paragraph (2), where the accounting officer, collector of revenue or officer responsible for moneys discovers an error in the numerical sequence of the receipt forms or duplicate receipt forms, he shall immediately report the error to the supplying officer from the Government Printer or the Accountant-General, as the case may be, before the use of the receipt books or receipt forms.

Receipt
paper for
electroni-
cally
generated
receipt
forms.

159. (1) Where a department issues electronically generated receipt forms, the Accountant-General shall issue to the department receipt paper on which the electronically generated forms are to be printed.

(2) Where the Accountant-General issues receipt paper to the department, an accounting officer, a collector of revenue or an officer responsible for moneys of the department shall make provision for the safe keeping of the receipt paper.

Printing
electroni-
cally
generated
receipt
forms.

160. Where an accounting officer, a collector of revenue or an officer responsible for moneys of a department prints an electronically generated receipt form or an electronically generated duplicate receipt form on behalf of the department, he shall

- (a) unless the Director directs otherwise, use an electronically generated receipt form or an electronically generated duplicate receipt form that the Accountant-General approves;
- (b) ensure the computer paper that he uses to produce the electronically generated receipt form or the electronically generated duplicate receipt form is numbered in numerical sequence.

Lost receipt
books or
receipt
forms.

161. (1) An accounting officer, a collector of revenue and an officer responsible for moneys of a department is accountable for the following item that is left in his charge:

- (a) a receipt book of the department;
- (b) a receipt form of the department;
- (c) a carbon copy and a counterfoil of the receipt form from the receipt book of the department.

(2) Where the accounting officer, collector of revenue or officer responsible for moneys discovers that a receipt book or a receipt form that is in his charge is lost, he shall

- (a) report the loss of the receipt book or the receipt form to the Director, the Auditor-General, the Accountant-General and the Chief Supply Officer as soon as the loss is discovered; and
- (b) immediately cause an investigation into the loss of the receipt book or the receipt form.

(3) Subject to paragraph (2), the Director may, in accordance with section 23, bring a surcharge against the accounting officer, collector of revenue or officer responsible for moneys, as the case may be, for an amount as the Director may determine.

162. (1) Where a receipt book or a receipt form of a department is lost, the Director may authorise the write off of the receipt book or receipt form, as the case may be.

Writing off receipt books and receipt forms.

(2) Subject to paragraph (1), the Director shall, in writing, inform the Auditor-General, the Accountant-General and the Chief Supply Officer of the writing off of the receipt book or receipt form.

163. (1) An officer responsible for the requisition of receipt books and receipt forms for a department shall obtain the receipt books and the receipt forms from the Government Printer or the Accountant-General.

Receipt books.

(2) The officer responsible for the requisition of the receipt books and receipt forms for the department shall submit the requisition to the Government Printer or the Accountant-General not less than 10 days before the department requires the use of the receipt books.

(3) The officer responsible for the requisition of the receipt books and receipt forms of the department shall ensure that each officer responsible for moneys of the department receives a receipt book and receipt forms.

(4) Where the officer responsible for moneys of the department completes the receipt book, he shall return the receipt book to the accounting officer or a collector of revenue of the department.

Requisitions
for receipt
forms.

164. (1) Where a department uses receipt forms, an officer responsible for the requisition of the receipt forms shall prepare a requisition for the receipt forms in triplicate.

(2) Subject to paragraph (1), the officer shall forward the requisitions to the Government Printer or Accountant-General.

(3) Subject to paragraph (2), the Government Printer or the Accountant-General, as the case may be, shall

- (a) insert on the requisitions the serial number on the receipt forms that he supplies;
- (b) forward the duplicate and triplicate requisitions and the requested receipt forms to the officer.

(4) Where the Government Printer or the Accountant-General forwards the duplicate and triplicate requisitions and the receipt forms to the officer, the officer shall

- (a) check the stock of the forwarded receipt forms;
- (b) where the number of stock of forwarded receipt forms is correct, sign the duplicate requisition and forward it to the Government Printer or Accountant-General, as the case may be;
- (c) retain the triplicate requisition on behalf of the department.

165. (1) An officer responsible for the requisition of receipt books or receipt forms for a department shall

Record of
receipt
books.

- (a) maintain a Stock and Issue Register of Receipt Books and Receipt Forms that the Government Printer or the Accountant-General, as the case may be, supplies to the department;
- (b) record particulars of the receipt books and the receipt forms in the Stock and Issue Register of Receipt Books and Receipt Forms.

(2) An accounting officer or a collector of revenue of the department shall record

- (a) in the Stock and Issue Register of Receipt Books and Receipt Forms the names of officers that are supplied with the receipt books or receipt forms; and
- (b) subject to rule 163(4), the date of the return of the receipt books on their completion.

(3) The accounting officer or the collector of revenue of the department shall instruct an officer, other than an officer who is responsible for the storage of the stock of receipt books and receipt forms of the department, to check the stock of receipt books and receipt forms.

Receipt
books via
post.

166. Where the Government Printer or the Accountant-General sends a receipt book to a department via post, the Government Printer or the Accountant-General, as the case may be, shall

- (a) place the receipt book in a package;
- (b) seal the package with wax; and
- (c) register the package.

Report of
returns.

167. (1) An accounting officer, a collector of revenue or an officer responsible for moneys shall, in respect of a department to which he is assigned, furnish to the Director, the Auditor-General and the Accountant-General returns that show the following:

- (a) the state of arrears to the department at the end of September and March in each year;
- (b) plans implemented to collect the arrears to the department;
- (c) the result of the plans from the previous year to collect the arrears to the department.

(2) The accounting officer, collector of revenue or officer responsible for moneys shall furnish the returns within a period not exceeding 2 months of the period stated in paragraph 1(a).

(3) Where there are no arrears, the accounting officer, the collector of revenue or the officer responsible for moneys shall furnish to the Director, the Auditor-General and the Accountant-General a nil return.

Refunds of
revenue.

168. An accounting officer or a collector of revenue of a department shall charge the refunds of revenue of the department against the appropriate revenue heads in the accounts of the department.

169. The Accountant-General, shall, in respect of a department, report to the Director Arrears of revenue.

- (a) failure of an accounting officer or a collector of revenue of the department to collect and account for sums receivable by the accounting officer or collector of revenue in respect of the department;
- (b) revenue of the department that is falling into arrears.

170. (1) An accounting officer, a collector of revenue or an officer responsible for moneys of a department may accept, on behalf of the department, a cheque as payment of revenue from a person if he reasonable believes that the cheque is valid. Acceptance of cheques.

(2) Notwithstanding paragraph (1), the accounting officer, collector of revenue or officer responsible moneys is liable for the amount of the cheque if he fails to exercise reasonable care when he accepts the cheque and the cheque is dishonoured.

171. (1) An accounting officer shall maintain a Dishonoured Cheques Register of a department to which he is assigned. Dishonoured cheques register.

(2) The accounting officer who supervises the department of accounts shall examine the Dishonoured Cheque Register of the department not less than once a month and shall ensure that clearances of dishonoured cheques are pursued and recoveries are effected of dishonoured cheques.

172. (1) Where an officer responsible for moneys of a department discovers that a cheque payable to the department is dishonoured, he shall immediately report the dishonoured cheque to an accounting officer or collector of revenue of the department. Dishonoured cheques.

(2) Where an accounting officer, a collector of revenue or an officer responsible for moneys of a department discovers that a cheque payable to the department is dishonoured, he shall immediately commence procedures to stop

- (a) services or supplies in respect of the cheque;
- (b) the payment of the cheque.

(3) The accounting officer or the collector of revenue shall conduct an investigation in respect of the dishonoured cheque and determine whether the department shall accept a cheque from the drawer of the dishonoured cheque in the future.

(4) Subject to paragraphs (1) and (2), the accounting officer shall debit the amount of the dishonoured cheque to the appropriate receivable account in the accounts of the department where revenue of the department is recorded.

Recovery
of moneys.

173. Subject to rule 172, where an accounting officer, a collector of revenue or an officer responsible for moneys of a department discovers that a cheque payable to the department is dishonoured, the accounting officer of the department shall, as soon as is practicable,

- (a) recover the amount of money stated on the dishonoured cheque;
- (b) cause legal proceedings to be instituted against the drawer of the dishonoured cheque, where necessary.

Promissory
notes and
bills of
exchange.

174. (1) An officer of a department shall not accept bills of exchange or promissory notes on behalf of the Crown from a person as payment of revenue or other money that the person owes to the Crown.

(2) Where an officer contravenes paragraph (1), the Director may bring a surcharge against the officer in accordance with section 23.

PART XIV

Payment of Moneys and Expenses

175. For the purposes of this Part, reference to certifying officer means an officer that an accounting officer of a department authorises to certify claims made by a person in respect of services rendered or supplies provided to the department. Interpretation.

176. (1) Subject to the *Financial Administration and Audit (Supplies) Rules, 1971*, a person who makes a claim against moneys of the Crown for services rendered or supplies provided to a department shall present the claim for examination to an accounting officer of the department or an officer that the accounting officer authorises to act on his behalf. Examination of claims. S.I. 1971 No. 47.

(2) Subject to paragraph (1), the person shall submit the claim in an approved form with supporting documents that relate to the claim.

177. Where an accounting officer of a department or an officer that the accounting officer authorises receives a claim from a person against moneys of the Crown, he shall process the claim in order that the claim may be recorded as an expense in the financial year to which the claim relates. Process of claims.

178. (1) For the purposes of this rule, reference to scales means rates of payments for services or supplies that the Public Service or the private sector establishes in respect of payment for the services or supplies. Certification of claims.

(2) Where a person presents a claim against moneys of the Crown to an accounting officer of a department or an officer that the accounting officer authorises to act on his behalf, a certifying officer shall review

- (a) the claim;
- (b) where applicable, the supporting documents that relate to the claim.

(3) Subject to paragraph (1), the certifying officer shall, in respect of the claim, ensure, that

- (a) where applicable, services rendered were duly performed;
- (b) where applicable, supplies were provided;
- (c) the computations and castings in the claim in respect of services rendered or supplies provided are correct;
- (d) the prices the person charges in the claim are
 - (i) according to a written contract between the person and the Crown;
 - (ii) according to the scales;
 - (iii) fair and reasonable in accordance with local rates;
- (e) the person named in the claim is entitled to receive payment for the claim;
- (f) where applicable, moneys of the Crown are available to make a payment to the person in respect of the claim;
- (g) where applicable, appropriate deductions from the claim are made.

(4) Where the certifying officer is satisfied that the requirements under paragraph (3) are met, he shall certify the claim, and where applicable the supporting documents that relate to the claim, by

- (a) affixing his signature and the date of the signature on the
 - (i) claim;
 - (ii) where applicable, the supporting documents; or
- (b) in the case of an electronically prepared claim, using an appropriate controlled approval method.

179. An accounting officer of a department or an officer that the accounting officer authorises to act on his behalf shall not sign a voucher in accordance with rule 188, unless he is satisfied that Claims.

- (a) a claim by a person for services rendered or supplies provided in respect of the department is pursuant to a term of a contract made between the person who makes the claim and the Crown;
- (b) the charges in respect of the claim are reasonable;
- (c) the claim is valid;
- (d) the computations and castings of the claim are correct;
- (e) the information furnished on the claim is correct;
- (f) the claim is certified by a certifying officer;
- (g) where applicable, the supporting documents to the claim are certified by a certifying officer;
- (h) the claim is an appropriate charge against the head of expenditure and account code quoted on the voucher.

180. (1) Where the Crown advances moneys of the Crown to an officer, the officer shall repay the moneys in such periods as specified in the *Seventh Schedule*. Advances
of moneys.
Seventh
Schedule.

(2) Where a person receives advances of moneys from the Crown and the person makes a claim in respect of a salary or pension that he receives from the Crown, the Accountant-General or an accounting officer of a relevant department shall ensure that deductions are made from the salary or pension, as the case may be, in respect of the advances of moneys.

Vouchers. **181.** (1) Where an accounting officer of a department or an officer that the accounting officer authorises to act on his behalf is satisfied that a claim by a person against moneys of the Crown for services rendered or supplies provided in respect of a department is justified, he shall issue a voucher in an approved form to the person.

(2) The accounting officer or the officer that the accounting officer authorises to act on his behalf shall ensure that where he issues the voucher to the person it contains, where applicable, the following:

- (a) the date the services were rendered;
- (b) the date the supplies were provided;
- (c) numbers of invoices in respect of
 - (i) services rendered;
 - (ii) supplies provided;
- (d) rates for
 - (i) services rendered;
 - (ii) supplies provided;
- (e) numbers of local purchase orders;
- (f) references to a contract under which the claim is made;
- (g) details of previous payments concerning the claim;
- (h) the amount of the claim to be paid to the person in words and figures;

- (i) references to a special authority in respect of expenditure for
 - (i) services rendered;
 - (ii) supplies provided;
- (j) the appropriate authority for expenditure.

(3) The accounting officer or the officer that the accounting officer authorises to act on his behalf shall not name more than one person on the voucher except where the persons are parties to a contract in respect of the claim for services rendered or supplies provided to the department.

182. The Accountant-General shall direct the manner in which a payment for a claim against moneys of the Crown is to be made. Manner of payments.

183. (1) Where a person is to receive payment for a claim against moneys of the Crown for services rendered or supplies provided to a department, an accounting officer of the department or an officer that the accounting officer authorises to act on his behalf shall make the payment to the person by a cheque unless the Accountant-General directs otherwise. Payment of claims.

(2) The accounting officer or the officer that the accounting officer authorises to act on his behalf shall not make the payment to a person other than

- (a) the person named on a voucher that relates to the payment; or
- (b) an agent that the person named on the voucher authorises to collect the payment on behalf of that person.

(3) The accounting officer or the officer that the accounting officer authorises to act on his behalf may make the payment to the person for services rendered or supplies provided to the department by a direct transfer of moneys to a bank or other financial institution for the credit of the account of the person with the bank or other financial institution where the person authorises the transfer.

(4) Where the accounting officer or the officer authorized by that accounting officer to act on his behalf makes a payment to a person for services rendered or supplies provided to the department by a direct transfer of moneys to an account of a bank or other financial institutions of the person, the accounting officer or the officer so authorised shall inform the relevant certifying officer of the direct transfer and forward the claim to that certifying officer.

(5) Where a certifying officer receives a claim from an accounting officer or the officer authorized by the accounting officer authorises in accordance with paragraph (4), the certifying officer shall note the payment of moneys to the person on the claim and sign the claim.

(6) Where the person or the authorised agent of the person presents a manually prepared voucher to the accounting officer or an officer that the accounting officer authorises to act on his behalf, the accounting officer or authorised officer shall stamp the word "PAID" on that voucher where he makes the payment to the person or authorised agent.

Payment of
claims to
authorised
agents.

184. Where an accounting officer of a department or an officer that the accounting officer authorises to act on his behalf pays a cheque to an agent of a person named on a voucher in respect of a claim against moneys of the Crown for services rendered or supplies provided to the department, he shall

- (a) register, at the department, the authority for the agent to receive the payment;
- (b) note the authority on the voucher or attach the authority to the voucher.

Proof of
identity.

185. (1) An accounting officer of a department or an officer that the accounting officer authorises to act on his behalf shall not make a payment to a person for a claim against moneys of the Crown for services rendered or supplies provided to the department unless the person produces proof of identification that he is the person named on the voucher.

(2) Notwithstanding paragraph (1), where the accounting officer or the officer that the accounting officer authorises to act on his behalf knows the person, he may make the payment to that person without proof of identification from the person.

186. (1) A person who receives a payment for a claim from a department against moneys of the Crown for services rendered or supplies provided in accordance with these Rules shall on receipt of the payment

Receipt of vouchers.

- (a) sign and date the voucher that authorises the payment;
- (b) return the signed and dated voucher to an accounting officer of the department or an officer that the accounting officer authorises to act on his behalf.

(2) Notwithstanding paragraph (1), where the person who receives the payment for the claim is unable to write, he shall

- (a) mark the voucher with his thumbprint in the presence of two officers of the department from which the payment is made; or
- (b) where two officers from the department are not available, mark the voucher with his thumbprint in the presence of a senior officer of the department.

(3) Subject to paragraph (2), the officers or the senior officer, as the case may be, shall

- (a) state on the voucher that the officers or senior officer, as the case may be, witnessed the person place his thumbprint on the voucher;
- (b) sign and date the voucher.

187. An accounting officer of a department or an officer that the accounting officer authorises to act on his behalf shall not use a bearer cheque to make a payment to a person on behalf of the department in respect of a claim against moneys of the Crown for services rendered or supplies provided to the department.

Bearer cheques.

- Verification of cheques and vouchers. **188.** An accounting officer of a department or an officer that the accounting officer authorises to act on his behalf shall, before he issues a cheque or a voucher to a person,
- (a) verify that the details stated on the cheque or voucher are accurate;
 - (b) sign the cheque or voucher as certification that the details stated on the cheque or voucher are accurate.
- Signing of cheques. **189.** Notwithstanding rule 188, an accounting officer of a department or an officer that the accounting officer authorises to act on his behalf may
- (a) with the approval of the Director, affix a facsimile signature to a cheque;
 - (b) electronically affix a signature to a cheque.
- Records of payments. **190.** Where an accounting officer of a department or an officer that the accounting officer authorises to act on his behalf makes a payment on behalf of the department, he shall
- (a) make a record of the payment in the accounts of the department; and
 - (b) ensure that the payment is supported by a voucher.
- Retention of records. **191.** (1) An accounting officer of a department or an officer that the accounting officer authorises to act on his behalf shall, on behalf of the department, retain vouchers, pay sheets and other records of moneys of the Crown that the department pays to a person for a claim against the Crown.
- (2) Notwithstanding paragraph (1), the Auditor-General or the Accountant-General may temporarily remove the vouchers, pay sheets or other records of moneys of the Crown that the department pays to a person for a claim against the Crown for examination as he sees fit.

192. (1) Where a cheque, payable order or voucher that a department intends to issue to a person is lost, an accounting officer of the department shall

Loss of cheques, payable orders or vouchers.

- (a) immediately commence an investigation into the loss of the cheque, payable order or voucher;
- (b) determine whether payment with respect to the cheque, payable order or voucher was made;
- (c) immediately report the loss to the Director, the Auditor-General, the Accountant-General and to a member of the Police Force where he reasonably suspects that there is fraud in respect of the loss.

(2) Notwithstanding paragraph (1)(c), where the accounting officer is satisfied that there is no fraud surrounding the loss of the cheque, payable order or voucher, he shall submit a report to the Director, Auditor-General and the Accountant-General on the circumstances that led to the loss.

(3) Subject to paragraph (1), the accounting officer shall immediately issue to banks and the Accountant-General a "Stop Payment Notice" in respect of a lost cheque.

193. (1) Where a cheque or voucher that a department issues is lost, an accounting officer of the department or an officer that the accounting officer authorises to act on his behalf shall not prepare a replacement of the cheque or voucher without the approval of the Accountant-General.

Replacing lost cheques or lost vouchers.

(2) Where the Accountant-General approves the replacement of a lost cheque or lost voucher, the accounting officer or the officer that the accounting officer authorises to act on his behalf shall state on a cheque or voucher, as the case may be, that replaces the lost cheque or lost voucher particulars that may identify the lost cheque or lost voucher.

194. (1) Where an adjustment to the accounts of a department is required, an accounting officer of the department shall make the adjustment by an adjustment voucher or authorise an officer of the department to prepare the adjustment voucher.

Adjustments in accounts.

(2) Notwithstanding paragraph (1), the accounting officer shall authorise an officer of the department to approve an adjustment voucher that the accounting officer prepares or the officer authorised to prepare the adjustment voucher prepares.

(3) Where the accounting officer or the officer authorised to prepare an adjustment voucher prepares an adjustment voucher, he shall do so manually unless the Accountant-General authorises otherwise.

(4) Where the accounting officer or the officer authorised to prepare an adjustment voucher prepares an adjustment voucher, he shall submit the adjustment voucher to the authorised officer for approval.

(5) Subject to paragraph (3), the authorised officer shall use an appropriate controlled method where

- (a) the accounting officer or the officer authorised to prepare an adjustment voucher submits an electronically prepared adjustment voucher; and
- (b) he approves the electronically prepared adjustment voucher.

(6) Notwithstanding paragraphs (2), (3), (4) and (5), where the accounting officer or the officer authorised to prepare an adjustment voucher prepares an adjustment voucher, that officer shall submit the adjustment voucher to the Accountant-General for his verification and approval.

Charges. **195.** (1) Where charges are made by the Chief Supply Officer in respect of the heads of expenditure of a department, the Chief Supply Officer shall dispatch a statement of the charges made to the department by the 10th day of each month following the month during which the charges were made.

(2) Subject to paragraph (1), an accounting officer of the department shall inform the Chief Supply Officer, within 7 days of receipt of the statement, of objections to the amount charged to the department.

PART XV

Loss of Moneys and Stamps

196. (1) Where there is a loss or shortage of moneys, stamps, securities, stores or other property of the Crown in a department, an officer responsible for the moneys, stamps, securities, stores or other property of the Crown in the department shall immediately report the loss or shortage to the head of the department.

Loss or shortage of property.

(2) Paragraph (1) does not apply to petty shortages of stamps, securities, stores or other property of the Crown.

(3) Subject to paragraph (1), the head of the department shall

(a) as soon as is practicable, make efforts to ascertain who is responsible for the loss or shortage of the property;

(b) where possible, make efforts to recover the property as soon as is practicable;

(c) in detail, report the loss or shortage of the property to the Director, the Auditor-General and the Accountant-General, whether or not the loss or shortage is replaced or paid for by the person responsible for the loss or shortage.

(4) Where the head of the department reasonably suspects that the reported loss or shortage of property is due to fraud or theft, he shall immediately report the loss or shortage to the Commissioner of Police and the Director.

197. (1) Notwithstanding rule 196, where an officer of the Audit Department discovers a loss or shortage of moneys, stamps, securities, stores or other property of the Crown in a department, the officer shall report the loss or shortage to the Auditor-General.

Notification of loss or shortage of property to Auditor-General.

(2) Subject to paragraph (1), where the Auditor-General considers the loss or shortage to be serious in nature, he shall, inform the following persons of the loss or shortage:

- (a) the Director;
- (b) the Accountant-General;
- (c) the head of the department;
- (d) an accounting officer of the department.

Investiga-
tion of loss
or shortage
of property
by Director.

198. Where a loss or shortage of property of the Crown is reported to the Director in accordance with rules 196 and 197, the Director shall

- (a) as he thinks fit, cause an investigation of the loss or shortage;
- (b) where he considers it necessary, report the loss or shortage to the Commissioner of Police if a report of the loss or shortage was not made to the Commissioner of Police.

Charges and
disciplinary
proceed-
ings.

199. (1) Where a person is charged in respect of the loss of moneys of the Crown or an irregularity of accounts of the Crown, the Registrar and the relevant accounting officer shall immediately notify the Director and the Auditor-General of the

- (a) charge;
- (b) proceedings that relate to the charge;
- (c) consequence of the proceedings that relate to the charge.

Act 2007-
41.

(2) Where disciplinary proceedings under the *Public Service Act* are instituted against an officer in respect of loss of moneys of the Crown or irregularity of accounts of the Crown, the Chief Personnel Officer shall immediately notify the Auditor-General of the disciplinary proceedings.

PART XVI

Credit Card Facilities

200. For the purposes of this Part, reference to a card means a credit card that a bank or other financial institution licensed under the *Financial Institutions Act* issues to a head of a department for the purposes of procuring services or supplies of an amount that does not exceed \$20 000. Interpretation. Cap. 324A.

201. (1) Where a head of a department determines that the department requires a card, he shall apply to the Director for approval to acquire the card. Acquisition of card.

(2) Where the head of the department receives approval from the Director and acquires a card, he shall

- (a) keep the card in a secure place in the department;
- (b) restrict the use of the card by an officer of the department as he determines;
- (c) before an officer of the department uses the card, ensure that he expressly authorises that the officer may use the card.

202. (1) A head of a department may use a card or authorise the use of the card by an officer of the department to Use of card.

- (a) guarantee overseas hotel accommodation of an officer or an official representative of the department who is travelling on business on behalf of the Crown;
- (b) reserve travel tickets of an officer of the department or an official representative of the Crown in respect of travel on business of the Crown;
- (c) make deposits in respect of a reception or other official function that is to be hosted by the department;

- (d) purchase books, magazines, periodicals or software for the department;
- (e) make a payment for a subscription made on behalf of the department;
- (f) make a payment for course fees of an officer of the department.

(2) A person shall not use a card for services other than those stated in paragraph (1) without the approval of the Director.

(3) Notwithstanding paragraph (2), an officer who is authorised to use the card may use the card for services other than those stated in paragraph (1) where

- (a) the officer is on business of the Crown; and
- (b) there is an emergency while the officer is on business of the Crown.

(4) Where a person contravenes paragraph (2) or paragraph (3), and the person is an officer when he contravenes paragraph (2) or paragraph (3), the Director may bring a surcharge against the person in accordance with section 23.

(5) Where a person contravenes paragraph (2) or (3), the person is guilty of an offence and liable on indictment to imprisonment for 7 years.

Record of
card.

203. Where a head of a department or an officer of the department that the head of department authorises to use the card uses the card, an accounting officer of the department shall

- (a) account in the accounts of the department for the expenses incurred by way of the card under the appropriate head of expenditure in the period the expenses were incurred;
- (b) prepare a monthly statement to reconcile card statement balances with the accounts records of the department.

PART XVII

Procurement

204. In this Part, reference to authorised officer means an officer that an accounting officer of a department authorises to make an order for an acquisition of services or supplies on behalf of the department. Interpretation.

205. (1) An authorised officer or an accounting officer of a department, shall use a purchase order when he makes an order for an acquisition of services or supplies on behalf of a department. Purchase orders.

(2) Notwithstanding paragraph (1) and rule 220(1), where the authorised officer or the accounting officer makes an order for the acquisition of services or supplies that does not exceed \$50 000 in value, he shall use a purchase order that the Director approves to order the services or supplies, as the case may be, on behalf of the department.

(3) Notwithstanding paragraph (1), where the authorised officer or the accounting officer makes an order for the acquisition of services or supplies that exceeds \$50 000 in value, he shall use a purchase order that

- (a) the Solicitor-General approves to order the services or supplies, as the case may be, on behalf of the department; or
- (b) a legal officer, nominated by the Solicitor-General, approves to order the services or supplies, as the case may be, on behalf of the department.

(4) Subject to paragraph (1), the authorised officer may use a purchase order on behalf of the department for the following purpose:

- (a) to requisition services for repairs to plant, furniture or equipment;

(b) to order purchases from overseas suppliers.

(5) The authorised officer shall, before he forwards the purchase order to a supplier of services or supplies, as the case may be, sign and date the purchase order.

(6) Notwithstanding paragraphs (1), (2), (3) and (4), the authorised officer shall, before the preparation of a purchase order, consider correspondence of the department that reflects decisions concerning requisition of services for repairs to furniture or equipment or purchase of supplies.

Preparation
and
forwarding
of purchase
orders.

206. (1) Where an authorised officer manually prepares a purchase order for an acquisition of services or supplies on behalf of a department, he shall

- (a) prepare the purchase order in triplicate;
- (b) place carbon paper between the purchase order and duplicate sheet of the purchase order;
- (c) place carbon paper between the duplicate and triplicate sheet of the purchase order;
- (d) forward the purchase order and duplicate sheet of the purchase order to the supplier; and
- (e) retain the triplicate sheet of the purchase order.

(2) Subject to paragraph (1)(d), the supplier shall forward the purchase order with his bill or his itemised statement for the services or the supplies ordered, as the case may be, to the department.

(3) Where an authorised officer electronically prepares a purchase order for the acquisition of services or supplies on behalf of the department, he shall forward the electronically prepared purchase order to the supplier.

207. (1) Subject to rule 206(2), where a supplier forwards his bill or itemised statement with a manually prepared purchase order to a department, an accounting officer of the department shall

Return of purchase orders.

- (a) attach to a pay voucher the bill or itemised statement, as the case may be, of the supplier;
- (b) quote on the triplicate sheet of the purchase order the number on the cheque that is to be paid to the supplier.

(2) Where the supplier receives an electronically prepared purchase order, he shall

- (a) quote the number stated on the electronically prepared purchase order on his bill or his itemised statement for the services or supplies ordered, as the case may be;
- (b) forward the bill or the itemised statement, as the case may be, to the department.

208. (1) Where a supplier receives a manually prepared purchase order for services or supplies from a department, an accounting officer of the department shall not issue a voucher for payment to the supplier for a bill or itemised statement from the supplier in respect of the services or supplies, as the case may be, without proof of the purchase order.

Issue of vouchers.

(2) Where a supplier receives an electronically prepared purchase order from a department for services or supplies, an accounting officer of the department shall not issue a voucher for payment to the supplier for a bill or itemised statement from the supplier without a quotation of the number of the electronically prepared purchase order for the services or supplies, as the case may be, on the bill or itemised statement.

Failure to forward manually prepared purchase orders.

209. (1) Where a supplier fails to forward a manually prepared purchase order in accordance with rule 207(1), an authorised officer shall manually prepare a new purchase order in triplicate.

(2) Subject to paragraph (1), the authorised officer shall state on the triplicate sheet of the old manually prepared purchase order the number of the new manually prepared purchase order.

(3) Subject to paragraph (2), the authorised officer shall endorse on the new manually prepared purchase order and the duplicate and triplicate sheet of the new manually prepared purchase order that the new manually prepared purchase order is in place of a previous manually prepared purchase order.

(4) Subject to paragraph (3), where the supplier renders the services or delivers the supplies, the authorised officer shall endorse on the new manually prepared purchase order and the duplicate sheet and triplicate sheet of the new manually prepared purchase order that the services were rendered or that the supplies were delivered, as the case may be.

Cancellation of purchase orders.

210. (1) An authorised officer shall not cancel or close a purchase order from a department to a supplier after the authorised officer sends the purchase order to the supplier or the supplier receives the purchase order.

(2) Notwithstanding paragraph (1), where the department no longer requires supplies or services that are on the purchase order, the authorised officer shall

- (a) inform the supplier that the services or supplies, as the case may be, are no longer required by the department; and
- (b) cancel the purchase order.

(3) Where an authorised officer cancels a purchase order for supplies, an accounting officer of the department or an officer the accounting officer authorises to act on his behalf shall not make a payment for the supplies if the department receives the supplies.

(4) The Director may, in accordance with section 23(1)(b), bring a surcharge against an officer who contravenes paragraph (3).

211. (1) An authorised officer shall obtain a purchase order book for a department from the Government Printer. Requisition of purchase order books.

(2) Where the department requires a purchase order book, the authorised officer shall

- (a) prepare a requisition for the purchase order book in triplicate to the Government Printer;
- (b) forward the requisition and the duplicate of the requisition to the Government Printer; and
- (c) retain the triplicate of the requisition.

212. (1) Where the Government Printer receives a requisition from an authorised officer from a department for a purchase order book, the Government Printer shall Purchase order books.

- (a) ensure that the purchase order book is bound in a book of 100 purchase orders or 50 purchase orders;
- (b) ensure that purchase orders consist of 3 sheets that state "Original", "Duplicate" and "Triplicate" respectively;
- (c) insert on the requisition and the duplicate of the requisition the serial numbers of the purchase order book that it supplies to the department; and
- (d) return the duplicate of the requisition and the purchase order book to the authorised officer who made the requisition.

(2) The Government Printer shall issue a purchase order book to a department in consecutive order and shall ensure that the serial numbers of the purchase orders in the purchase order book are in numerical sequence.

Examina-
tion of
purchase
order
books.

213. (1) An authorised officer who receives purchase order books from the Government Printer on behalf of a department shall, before the use of the purchase order books,

- (a) check that the quantity of purchase order books he receives is correct;
- (b) check the purchase orders in the purchase order books to determine whether the quantity of the purchase orders and the quantity of the duplicate and triplicate sheets of the purchase orders is correct; and
- (c) ensure that the numerical sequence of the serial numbers of the purchase orders and the duplicate and triplicate sheets of the purchase orders is correct.

(2) Subject to paragraph (1), where the authorised officer discovers an error in the quantity of the purchase order books, in the numerical sequence of the purchase orders or in the numerical sequence of the duplicate or triplicate sheets of the purchase orders, the authorised officer, before using the purchase orders, shall immediately report the error to the Government Printer in order that the Government Printer may correct the error as soon as is practicable.

(3) Notwithstanding paragraph (2), where the authorised officer discovers that purchase orders are missing from the purchase order books, the authorised officer shall

- (a) note in the cover of the purchase order books that the purchase orders are missing;
- (b) write a report to the head of the department that indicates that purchase orders are missing from the purchase order books.

(4) Where an officer writes a report to the head of the department in accordance with paragraph (3), the head of the department shall

(a) cause an investigation in relation to the missing purchase orders; and

(b) report the missing purchase orders to the Auditor-General.

214. (1) An accounting officer of a department or an officer that the accounting officer authorises shall

Register of
purchase
order
books.

(a) keep the main stock of purchase order books of the department;

(b) keep and maintain a Stock and Issue Register of Purchase Order Books;

(c) record in the Stock and Issue Register of Purchase Order Books details of the

(i) deliveries of purchase order books from the Government Printer; and

(ii) issue of purchase order books to an officer of the department.

(2) Notwithstanding paragraph (1), where the quantity of purchase order books of the department does not justify a separate register, the accounting officer or the officer that the accounting officer authorises may record the deliveries of purchase order books and issue of purchase order books to an officer of the department in the Receipt Book Register of the department.

(3) Notwithstanding paragraph (1), where the accounting officer authorises an officer to keep the main stock of purchase order books of the department, the accounting officer shall instruct another officer to check the amount of stock of purchase order books of the department.

Responsibility for purchase order books.

215. (1) Where an authorised officer receives purchase order books, the authorised officer, on receipt of the purchase order books shall, where applicable, sign and date the

(a) Stock and Issue Register of Purchase Order Books; or

(b) Receipt Book Register.

(2) Notwithstanding rule 214, the authorised officer is responsible for the safe keeping of the purchase order books.

Cancellation of purchase order books.

216. Where a purchase order book of a department is no longer in use, an authorised officer shall

(a) check the purchase order book for unused purchase orders;

(b) cancel the unused purchase orders in a manner to prevent future use;

(c) paste the original sheets and duplicate sheets of the purchase orders to the triplicate sheets of the purchase orders in order to prevent the loss of the original sheets and duplicate sheets of the purchase orders.

Lost purchase order books.

217. (1) Where an accounting officer of a department discovers that a purchase order book of the department is lost, he shall immediately

(a) report the loss to the Director, the Auditor-General and the Accountant-General;

(b) cause an investigation into the loss.

(2) Where a purchase order book of the department is lost, the Director may write off that purchase order book.

PART XVIII

Government Contracts

218. (1) For the purposes of this Part, there shall be established a Committee to be known as the Tenders Committee.

Tenders
Committee.

(2) The *Second Schedule* has effect as to the constitution of the Tenders Committee and otherwise in relation thereto.

Second
Schedule.

219. (1) Notwithstanding rule 218, where the Crown borrows moneys from an international financial institution and the moneys are to be expended by the Crown, a Special Tenders Committee shall be established.

Special
Tenders
Committee.

(2) The *Third Schedule* has effect as to the constitution of the Special Tenders Committee and otherwise in relation thereto.

Third
Schedule.

220. (1) An officer of a department shall not enter into a contract on behalf of the Crown unless it is prepared in a form that is approved by the Solicitor-General or a legal officer that the Solicitor-General nominates.

Officers
entering
into
contracts.

(2) For the purposes of this Part, an accounting officer of a department or an officer that the accounting officer authorises may enter into a contract on behalf of the Crown for services or for obtaining supplies in accordance with rule 4 of the *Financial Administration and Audit (Supplies) Rules, 1971*.

S.I. 1971
No. 47.

221. (1) An accounting officer of a department or an officer that the accounting officer authorises may, on behalf of a department, order services or supplies from a person in accordance with clause 205(2) of these Rules without inviting tenders or obtaining written quotations for the services or supplies.

Services and
supplies
that do not
exceed \$50
000 in
value.

(2) Subject to rule 205, the accounting officer or the authorised officer shall reasonably ensure that the

- (a) price he accepts for the services or supplies is the lowest possible price; and
- (b) person provides the services or supplies in accordance with a purchase order for the services or supplies.

Services and supplies that exceed \$50 000 in value but not \$200 000 in value.

222. (1) An accounting officer of a department or an officer that the accounting officer authorises may, on behalf of a department, accept a contract for the supply of services or supplies without inviting tenders where the expenditure for the services or supplies exceeds \$50 000 but does not exceed \$200 000.

(2) Notwithstanding paragraph (1), the accounting officer or the authorised officer shall obtain not less than 3 written quotations for the supply of services or supplies before he accepts the contract on behalf of the department.

(3) Subject to paragraphs (1) and (2), where the accounting officer or the authorised officer accepts a contract for the supply of services or supplies on behalf of the department, the contract shall be prepared in a form that is approved by the Solicitor-General or a legal officer that the Solicitor-General nominates.

(4) Where the expenditure in respect of the supply of services or supplies exceeds \$200 000, the accounting officer or the authorised officer shall, on behalf of the department, invite tenders for the supply of services or supplies.

(5) Subject to paragraph (4), where the accounting officer or authorised officer accepts a tender, he shall enter into a contract with the successful tenderer and that contract shall be prepared in a form approved by the Solicitor-General or a legal officer that the Solicitor-General nominates.

(6) The accounting officer or authorised officer shall not artificially reduce the cost of a contract for the supply of services to be below the limit of \$200 000.

223. (1) Where a person is contracted by an officer on behalf of a department for supplies or services, the person shall provide a surety in respect of the performance of the contract and shall bear the cost of obtaining the surety. Sureties.

(2) Paragraph (1) shall not apply to a person who enters into a contract for supplies for the department and the officer

- (a) examines the supplies before payment for the contract is made to the person; or
- (b) tests the supplies before payment for the contract is made to the person.

224. Notwithstanding Part XVII and the provisions of the *Financial Administration and Audit (Supplies) Rules, 1971*, an accounting officer of a department or an officer that the accounting officer authorises to act on his behalf may issue a purchase order to a local supplier for services or supplies for a sum of money as the Minister approves. Approval of the Minister for services or supplies. S.I. 1971 No. 47.

Content of
contracts.

225. (1) The Solicitor-General or a legal officer that the Solicitor-General nominates shall ensure that a contract for services or a contract for supplies in respect of a department states

- (a) where applicable, the supplies to be furnished;
- (b) where applicable, the services to be performed;
- (c) the price of the contract for services or the contract for supplies, as the case may be;
- (d) where applicable, discounts or deductions on the price of the contract for services or contract for supplies, as the case may be;
- (e) the time within which the contract is to be performed;
- (f) that a contract may be cancelled where there is evidence that the person contracted to provide the services or supplies

Cap. 144.

- (i) commits an offence under the *Prevention of Corruption Act* in respect of a contract with the Crown;
- (ii) shows disfavour to a person in respect of the contract;
- (g) an identification number on the contract;
- (h) safe guards of the satisfactory completion of the contract;
- (i) other conditions of the contract.

(2) Where the Solicitor-General or a legal officer that the Solicitor-General nominates prepares a contract for services, he shall ensure that the contract contains provisions that mandate that the services are completed by the most economical means.

226. Where a party to a contract for services or contract for supplies made between a department and a person contracted for the provision of the services or the supplies deviates from the contract or **an** accepted tender, the department shall inform the Chairman of the Tenders Committee of the deviation.

Deviation
from
contracts
and tenders.

227. (1) Notwithstanding anything in this Part, a letter of intent may be considered as a binding agreement between a person and a department where the person

Letter of
intent.

- (a) submits the letter of intent to enter into a contract for services for the department to an
 - (i) accounting officer of the department; or
 - (ii) officer that the accounting officer authorises; and
- (b) makes a payment of a surety with respect to the letter of intent to the Accountant-General.

(2) Subject to paragraph (1), the accounting officer may use the letter of intent as an authority to commence payment for services that the person completes in accordance with the letter of intent.

228. (1) Where a person completes a contract for services or a contract for supplies for a department in accordance with the contract, an accounting officer of the department or an officer that the accounting officer authorises to act on his behalf shall issue to the person a voucher for payment for the contract for services or contract for supplies, as the case may be.

Payment
for
contracts.

(2) Subject to paragraph (1), the accounting officer or the authorised officer shall

- (a) quote the identification number of the contract for services or contract for supplies, as the case may be, on the voucher;
- (b) attach to the voucher a certificate which certifies that the contract for services or contract for supplies, as the case may be, has been satisfactorily completed.

(3) Notwithstanding paragraph (2), where the payment for a contract for services or a contract for supplies is made on account, the accounting officer or the authorised officer shall state on the certificate that the value of the work completed is in excess of the payment made on account.

Records of
contracts.

229. (1) An accounting officer of a department shall maintain a Register of Contracts which shall contain the contracts awarded for services or supplies to the department.

(2) The accounting officer shall ensure that a contract for services or a contract for supplies in respect of the department

- (a) is recorded under the appropriate head of expenditure;
- (b) has an identification number.

(3) Where the contract for services or the contract for supplies extends over one financial year, the accounting officer shall

- (a) record in the accounts of the department the outstanding cost of the contract for services or contract for supplies, as the case may be, for each financial year;

(b) forward to the Accountant-General information that relates to the outstanding cost of the contract for services or the outstanding cost of the contract for supplies, as the case may be.

(4) Subject to paragraph (3), the Accountant-General shall report the information on the outstanding cost of the contract for services or the outstanding cost of the contract for supplies as a contingent liability in the notes to Financial Statements of the Crown.

230. An accounting officer of a department or a head of the department shall furnish a copy of a contract for services or a contract for supplies, as the case may be, that is made on behalf of the department to the Auditor-General, the Accountant-General and the Chief Supply Officer. Copies of contracts.

231. (1) Subject to rule 222(4), an accounting officer of a department or an officer that the accounting officer authorises, shall, on behalf of the department, invite tenders from members of the public by the publication of a notice in one or more newspapers in Barbados. Publication of notices inviting tenders.

(2) Notwithstanding paragraph (1), the accounting officer or the officer that the accounting officer authorises shall not publish a notice that invites tenders for supplies or services from members of the public without the consent of the Chairman of the Tenders Committee.

232. Notwithstanding rule 231, where the Tenders Committee is satisfied that there are not more than 7 members of the public in Barbados that are capable of submitting tenders for a contract for services or a contract for supplies, an accounting officer of a department or an officer that the accounting officer authorises shall, by letter, invite members of the public to submit tenders for the contract for services or contract for supplies on behalf of the department. Invitation of tenders by letter.

Non-
publication
of notices.

233. Notwithstanding rule 231, an accounting officer of a department or an officer that the accounting officer authorises may determine not to publish a notice where he is satisfied that the

- (a) services or supplies required consist of repairs to
 - (i) parts of existing machinery;
 - (ii) existing machinery; or
 - (iii) existing plants for which he has obtained 3 written quotations for the repairs and has approved the written quotations for the repairs;
- (b) required supplies are on sale at a public auction.

Conditions
on notices
or letters
inviting
tenders.

234. (1) For the purposes of this rule, approved securities include a Government Paper and a security listed on a recognised Securities Exchange.

(2) An accounting officer of a department or an officer that the accounting officer authorises shall ensure that an invitation for tenders by notice or an invitation for tenders by letter to members of the public on behalf of the department

- (a) states the manner in which members of the public shall make the tenders;
- (b) states that members of the public shall submit the tenders in the prescribed manner to make the tenders;
- (c) describes the required services or required supplies;
- (d) provides a period in which the services are to be completed or the supplies are to be provided, as the case may be;

- (e) where necessary, states the department where additional information concerning the required services or required supplies may be obtained and the times at which the information may be available;
- (f) where applicable, states that the *Labour Clauses (Public Contracts) Act* applies to the subject of the tenders; Cap. 349.
- (g) states that the members of the public shall address the tenders to the Chairman of the Tenders Committee;
- (h) states the time and date that the members of the public shall submit the tenders to the Chairman of the Tenders Committee;
- (i) states where the members of the public shall submit the tenders;
- (j) states that the tenders shall not be considered unless it complies with the conditions set out in the notice inviting the tenders or the letter inviting the tenders.

(3) Notwithstanding paragraph (2)(h), the Chairman of the Tenders Committee may determine the time and date by which the members of the public are to submit the tenders.

(4) Where a department is required to furnish additional information in accordance with paragraph (2)(e), the accounting officer of that department, the officer that the accounting officer authorises or the head of that department shall furnish a copy of the information to the Chairman of the Tenders Committee.

(5) Where a surety is required in accordance with rule 223, the accounting officer of the department or the officer that the accounting officer authorises shall, where applicable, state in the notice inviting tenders or in the letter inviting tenders that the department shall require a surety by way of

- (a) a deposit of a sum of money with the Treasury;
- (b) approved securities to the value of not less than 10 per cent of the contract price;
- (c) a bank or an accredited insurance company whose liability is not less than 10 per cent of the contract price.

(6) The Tenders Committee shall not consider tenders from members of the public that do not comply with the conditions stated in the notice inviting the tenders or the letter inviting the tenders.

Tenders
box.

235. (1) The Tenders Committee shall cause the

- (a) construction of a box for the purpose of the receipt of manually prepared tenders placed by members of the public; and
- (b) box to be kept at the office of the Chairman of the Tenders Committee or at another place that he approves.

(2) The Tenders Committee shall ensure that the box

- (a) bears in a conspicuous place the inscription "Tenders Box";
- (b) has an opening for the insertion of envelopes containing tenders;
- (c) has a sliding panel to cover the opening for the insertion of envelopes containing tenders;
- (d) has two independent locks to lock the panel.

(3) Subject to paragraph (2), the Chairman of the Tenders Committee shall keep the key for one lock and a member of the Tenders Committee, as the Tenders Committee decides, shall keep the key to the other lock.

(4) The secretary of the Tenders Committee shall lock the panel of the box immediately after the time fixed for the closing of tenders.

(5) The Chairman of the Tenders Committee shall fix a date to open the box and on that date the Chairman and the other member with the key for the other lock shall unlock the box and remove the tenders.

236. (1) Subject to rule 235, where the Chairman of the Tenders Committee and the member of the Tenders Committee open the box, the Chairman and the member shall ^{Tenders.}

- (a) note the number of tenders submitted by the members of the public;
- (b) initial the tenders;
- (c) where requested by the Tenders Committee, note specified information in respect of the submitted tenders.

(2) Subject to paragraph (1), the Tenders Committee shall expeditiously consider the tenders submitted after the box for tenders is opened.

(3) The Tenders Committee, after the closing date to submit tenders, may

- (a) as it sees fit, request information or advice from a department to which the submitted tenders relates;
- (b) request the member of the public who submitted a tender to attend an interview.

(4) Subject to paragraph (3)(b), where the Tenders Committee interviews the member of the public, the department to which the tender relates is to be represented by an appropriate officer of the department.

(5) The Tenders Committee shall send the tenders and its recommendations in respect of the tenders to the head of the department to which the tenders relate.

Recommen-
dations
concerning
tenders.

237. (1) Subject to rule 236(5), where a head of a department receives recommendations from the Tenders Committee in respect of tenders, the head of the department shall forward the recommendations to the Minister responsible for the department.

(2) Where the Minister responsible for the department does not accept the recommendations, the Tenders Committee shall submit the recommendations to the Minister.

(3) Subject to paragraph (2), the Minister, on receipt of the recommendations, shall submit the recommendations to the Cabinet.

Acceptance
of tenders.

238. (1) Where a tender is accepted from a member of the public, the department to which the tender relates shall inform the member of the public who submitted the tender of the acceptance by written notice, and where appropriate, state in the notice that he is required to enter into a written contract with the Crown.

(2) Subject to paragraph (1), the department shall instruct the Solicitor-General to prepare a contract in respect of the accepted tender and the period within which the contract is to be prepared and issued.

239. (1) Notwithstanding anything contained in this Part, the Cabinet may authorise services or supplies to be procured in a manner other than by an invitation to tender where it is of the view that the required services or supplies are

Cabinet directions on supplies and services.

- (a) of a specialised nature;
- (b) not normally available in Barbados;
- (c) required as a matter of urgency.

(2) Subject to paragraph (1), the Cabinet may direct that the supplies or services be procured through direct negotiations in accordance with arrangements as the Cabinet directs.

PART XIX

Inventory Management

240. An officer is responsible for property of the Crown that is under his control or in his custody.

Property of the Crown.

241. (1) An accounting officer of a department shall keep, in respect of the department, a record of the following:

Inventory records.

- (a) receipts;
- (b) issue of stores;
- (c) purchase of capital assets;
- (d) disposal of capital assets.

(2) Subject to paragraph (1), the accounting officer shall ensure that the records of the receipts, issue of stores, purchases of capital assets and disposal of capital assets are up to date and are supported by documentation.

Inventory ledger.

242. (1) An accounting officer of a department shall maintain an inventory ledger which shows continuous balances for supplies that form the inventory of the department.

(2) The accounting officer shall not write off supplies of the inventory except in the case of a loss or deficiency of supplies under the authority of the

(a) Director that does not exceed \$3 000;

(b) Minister that exceeds \$3000 but does not exceed \$200 000;

(c) Cabinet that exceeds \$200 000.

Quantity and conditions of inventory.

243. (1) A stockroom keeper of a department shall be aware of the quantity and the condition of supplies that form part of the inventory of the department.

(2) Subject to paragraph (1), where supplies of the department are damaged and the damage is not rectified, the stockroom keeper shall immediately report the damage to the head of the department.

(3) Subject to paragraph (2), the head of the department, where he reasonably considers it necessary, shall initiate a claim to the appropriate agency in respect of the supplies that are damaged.

Stock taking of supplies.

244. (1) A stockroom keeper of a department shall, on an annual basis, conduct stock taking of the supplies that form part of the inventory of the department.

(2) Where the stockroom keeper discovers that there is a substantial difference in the amount of the supplies that are in the inventory of the department and in the inventory ledger of the department, the stockroom keeper shall immediately report the difference to the Director, the Auditor-General and the Accountant-General.

245. (1) An accounting officer of a department shall authorise an officer of the department to be the requisition officer of the department. Inventory requisitions.

(2) An officer of the department that is responsible for inventory of the department shall make an issue from the inventory of the department to another officer of the department on the authority of

- (a) a requisition from the requisition officer; or
- (b) another approved form that the requisition officer signs.

PART XX

Miscellaneous

246. The Secretary to the Cabinet shall furnish Acts and Resolutions passed by Parliament for grants of money that are to be expended for the Public Service to Furnishing Acts and Resolutions.

- (a) the Auditor-General;
- (b) the Accountant-General; and
- (c) an accounting officer of the relevant department.

247. An officer who is responsible for security documents shall ensure that the security documents are kept in safe custody. Security documents.

248. (1) An accounting officer, a collector of revenue and other officer responsible for moneys of a department shall ensure that accounting records of the department are preserved. Records of accounts.

(2) An officer responsible for the record of accounts of the department shall preserve the records of accounts specified in the *Fifth Schedule* in accordance with the minimum period of preservation listed in that Schedule. Fifth Schedule.

(3) Notwithstanding paragraph (2), where a head of the department considers a record of accounts of the department as a necessary record or a record of historical value, that record is to be permanently preserved.

Fifth
Schedule.

(4) An officer shall not destroy a record specified in the *Fifth Schedule* without the approval of the Auditor-General.

(5) A person shall not destroy a record of accounts of the Crown without the approval of the Auditor-General.

(6) Where a person destroys a record of accounts of the Crown without the approval of the Auditor-General, the person is guilty of an offence and is liable on indictment to imprisonment for 10 years or to a fine of \$10 000 or both.

Corre-
spondence
to the
Account-
ant-
General.

249. Where an officer of a department prepares a letter, a request or an authorisation that relates to these Rules and it is addressed to the Accountant-General, the head of the department shall forward the letter to the Accountant-General.

Contraven-
tion of
Rules.
Act 2007-
41.

250. (1) The relevant provisions of the *Public Service Act*, shall apply to an officer who contravenes these Rules.

Act 2007-
41.

(2) Where a disciplinary charge is brought against an officer in accordance with the *Public Service Act* for contravention of the Rules, the Public Service Commission may consult with the Director on the type of penalty to be imposed under paragraph 6 of the Third Schedule to the *Public Service Act*.

Revocation
of S.I. 1971
No. 46.

251. The *Financial Administration and Audit Financial Rules, 1971* are revoked.

FIRST SCHEDULE

(Rule 141(2))

Constitution of Cash Board of Survey

1. (1) The Cash Board of Survey shall consist of 2 officers. Composition.
(2) The Cash Board of Survey shall not consist of an officer of a department at which a survey is to be conducted by the Cash Board of Survey.
(3) Subject to sub-paragraph (1), one of the officers is to be appointed, in writing, as President by the Director.
2. (1) Where an officer is appointed to the Cash Board of Survey Service. and is unable to serve on the Cash Board of Survey, the officer shall immediately report to the Director in writing that he is unable to serve.
(2) Where the officer is unable to serve, the Director shall immediately appoint another officer to serve on the Cash Board of Survey.
(3) A member of the Cash Board of Survey shall hold office for such time as the Director specifies.
(4) Subject to sub-paragraph (3), a member of the Cash Board of Survey is eligible for re-appointment.
3. (1) A member of the Cash Board of Survey may resign, in Resignation. writing, from the Cash Board of Survey.
(2) Subject to sub-paragraph (1), the member shall address the resignation to the Director.

SECOND SCHEDULE

*(Rule 218(2))**Constitution of Tenders Committee*

- Composi-
tion.
1. (1) The Tenders Committee shall consist of
- (a) the Chief Supply Officer;
 - (b) the Solicitor-General or a legal officer in the Public Service that the Solicitor-General nominates;
 - (c) 5 officers appointed by the Minister.
- (2) Subject to sub-paragraph(1)(c), the Director may appoint an officer to be the secretary of the Tenders Committee.
- Chairman
of Tenders
Committee.
2. The Chief Supply Officer shall be the Chairman of the Tenders Committee.
- Deputy
Chairman.
3. (1) The Tenders Committee, at its first meeting in the financial year, shall elect one of its members, other than the Solicitor-General or a legal officer in the Public Service that the Solicitor-General nominates, as Deputy Chairman of the Tenders Committee.
- (2) Notwithstanding sub-paragraph (1), where the Deputy Chairman becomes ill, is absent from Barbados or is otherwise unavailable for a period exceeding 3 months, the Tenders Committee may elect another member to act as the Deputy Chairman for the duration of the absence of the Deputy Chairman.
- (3) Where the Chairman is ill, absent from Barbados or is otherwise unavailable for a period exceeding 3 months, the Deputy Chairman shall preside over the meetings of the Tenders Committee.

4. (1) The quorum of the Tenders Committee shall consist of 4 members. Quorum.

(2) Subject to sub-paragraph (1), the Chairman or the Deputy Chairman shall be one of the members.

5. Where the Chairman or the Deputy Chairman presides over a meeting of the Tenders Committee and he determines that there is a need for an equity of votes, he has the authority to cast a second vote. Votes.

6. A member of the Tenders Committee is not liable for an act done or omitted in good faith in the operation of the Tenders Committee. Liability of members.

7. A member of the Tenders Committee shall hold office for 3 years and is eligible for re-appointment. Term of office.

8. (1) A member of the Tenders Committee may resign, in writing, from the Tenders Committee. Resignation.

(2) Subject to sub-paragraph (1), the member shall address the resignation to the Director.

THIRD SCHEDULE

*(Rule 219(2))**Constitution of Special Tenders Committee*

- Composi-
tion.
1. (1) The Special Tenders Committee shall consist of
- (a) the Chief Supply Officer;
 - (b) the Solicitor-General or a legal officer in the Public Service that the Solicitor-General nominates;
 - (c) 5 officers appointed by the Minister;
 - (d) other persons not exceeding 5 persons as the Director may appoint with the approval of the Minister.
- (2) Notwithstanding sub-paragraph (1)(d), the Director, in the appointment of persons, shall consider the obligations of the Crown under an agreement for a loan with respect to expenditure by the Crown from an international financial institution.
- Chairman
of Special
Tenders
Committee.
2. The Chairman of the Tenders Committee shall be the Chairman of the Special Tenders Committee.
- Deputy
Chairman.
3. The Deputy Chairman of the Tenders Committee shall be the Deputy Chairman of the Special Tenders Committee.
- Quorum.
4. The quorum of the Special Tenders Committee shall consist of two thirds of the members including the Chairman and the Deputy Chairman.
- Votes by
the
Chairman.
5. Where the Chairman presides over a meeting of the Special Tenders Committee and he determines that there is a need for an equity of votes, the Chairman has the authority to cast a second vote.

6. A member of the Special Tenders Committee is not liable for an act done or omitted in good faith in the operation of the Special Tenders Committee. Liability of members.

7. (1) A member of the Special Tenders Committee shall hold office for such time as the Director specifies. Term of office.

(2) Subject to sub-paragraph (1), a member of the Special Tenders Committee is eligible for re-appointment.

8. (1) A member of the Special Tenders Committee may resign, in writing, from the Special Tenders Committee. Resignation.

(2) Subject to sub-paragraph (1), the member shall address the resignation to the Director.

FOURTH SCHEDULE

(Rule 2)

List of Security Documents

1. Abstracts
2. Cash Books
3. Cheque Books
4. Contracts or other such legal documents
5. Credit Cards
6. Documents submitted for assessment and payment of stamp duty
7. Electronic storage media including diskettes, magnetic tapes and discs
8. Fixed Fee Forms
9. Insurance Policies
10. Investment Registers
11. Ledgers in respect of payments made on behalf of the Crown
12. Licences
13. Loan Registers
14. Payable Order Books
15. Permits
16. Principal Journals
17. Principal Ledgers
18. Receipt Books
19. Securities
20. Subsidiary Journals
21. Subsidiary Ledgers
22. Stock Books
23. Stores Ledgers

FIFTH SCHEDULE

*(Rule 248(2) and 248(4))**Preservation Periods of Records*

Class of Record	Minimum period of preservation
Cash books, ledgers and journals	20 years
Special ledgers and special records, including bank deposit registers and loan registers	7 years after the final completion of the closing of the last account
Establishment records and salary records, including salary vouchers and wages vouchers required for pension purposes	33 $\frac{1}{2}$ years
Vouchers other than salary vouchers and wage vouchers required for pension purposes	7 years
Abstracts and subsidiary records	7 years
Counterfoils and duplicates of accounting records	2 years

SIXTH SCHEDULE

*(Rule 18(4) and 47(1))**Depreciation of Property, Plant and Equipment*

Property, Plant and Equipment	Useful Life of Property, Plant and Equipment
1. Land	Not amortized
2. Heritage Assets	Not amortized
3. Buildings	40 years
4. Road Works, Bridges and other Infrastructure	20 to 40 years
5. Ships and Boats	10 to 25 years
6. Aircraft	10 to 20 years
7. Specialised Military Equipment	3 to 20 years
8. Machinery and Equipment	5 to 15 years
9. Furniture and Fittings	5 to 10 years
10. Motor Vehicles	3 to 10 years
11. Computer Hardware	3 to 5 years
12. Computer Software	1 to 5 years

SEVENTH SCHEDULE

*(Rule 180(1))**Advance of Moneys*

Moneys	Period of Repayment
Advance of moneys not exceeding \$1 200	1 year
Advance of moneys exceeding \$1 200 but not exceeding \$5 000	2 years
Advance of moneys exceeding \$5 000 but not exceeding \$10 000	3 years
Advance of moneys exceeding \$10 000 but not exceeding \$25 000	5 years
Advance of moneys exceeding \$25 000 but not exceeding \$40 000	6 years
Advance of moneys exceeding \$40 000	7 years

Made by the Minister this day of ,
2011.

Minister responsible for Finance

