

Tanzania

Public Finance Act

Public Finance Regulations, 2001

Government Notice 132 of 2001

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Public Finance Regulations, 2001

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[Section 9; G.N. No. 132 of 2001]

Part I – Preliminary provisions (regs 1-3)

1. Citation

These Regulations may be cited as the Public Finance Regulations.

2. Interpretation

In these Regulations, unless the context otherwise requires—

"**Accountant-General**" means a person appointed by the President pursuant to section 7 of the Act;

"**Accounting Officer**" means any officer appointed by the Paymaster-General pursuant to section 8 of the Act;

"**Act**" means the Public Finance Act¹;

"**agency**" includes any agency established under the Executive Agencies Act²;

"**Appropriation Act**" means any Act to apply a sum out of the Consolidated Fund to the services of a Finance year;

"**capital expenditure**" has the meaning ascribed to it in Regulation 43;

"**Chapter**" means a group of revenues or expenditures of a common nature;

"**commitment**" means a contract or other arrangement providing for a payment;

"**Consolidated Fund**" means the Consolidated Fund of the Government of the United Republic of Tanzania;

"**Controller and Auditor-General**" means the person appointed or deemed to have been appointed as such under the Constitution of the United Republic of Tanzania;

1

[Cap. 348](#)

2

[Cap. 245](#)

"**financial Year**" means a period of twelve months ending on 30th June;

"**generally accepted accounting practice**" means accounting practices and procedures recognised by the accounting profession as appropriate for reporting financial information relating to government, a ministry or department, a Fund, an Agency or other reporting unit, being practices and procedures that are consistent with the Act and any relevant appropriation Act;

"**Government**" means the Central Government and local government authorities;

"**Head**" means a group of estimates forming a main division of the Estimates of Expenditure;

"**instruction**" means any written instruction, direction or order issued under the authority of the Act;

"**item**" means a group of sub-items;

"**Minister**" means the Minister responsible for matters relating to finance;

"**outputs**" means goods produced or services provided;

"**Permanent Secretary**" means the Permanent Secretary of the Ministry responsible for matters relating to Finance;

"**programme**" means a functional area under a Head which generates outputs;

"**propriety**" means the requirement to act in relation to public monies in accordance with the intentions of Parliament and in particular those expressed through its Public Accounts Committee;

"**public moneys**" includes:

- (a) the public revenues of the United Republic of Tanzania;
- (b) any trust or other moneys held, whether temporarily or otherwise, by an officer in his official capacity, either alone or jointly with any other person, whether an officer or not;

"**public Officer**" means any person in the employment of the Government;

"**public Property**" means resources owned by the Government or in the custody or care of the Government;

"**resources**" includes moneys, stores, property, assets, loans and investments;

"**statutory expenditure**" means expenditure charged by an Act of Parliament (including the Act) on the Consolidated Fund, but does not include the expenditure of moneys appropriated or granted by an Appropriation Act or Supplementary Appropriation Act;

"**subchapter**" means a group of items of expenditure with the same economic classification;

"**sub-head**" means an administration subdivision of a Head;

"**sub-item**" means and input or cost;

"**Supplementary Appropriation Act**" means any Act, the purpose of which is to supplement the appropriation already granted by an Appropriation Act;

"**Vote**" means a group of estimates of expenditure for which an appropriation has been made by an Appropriation Act or Supplementary Appropriation Act.

3. Officers to be conversant with regulations

Every Permanent Secretary, head of department and an accounting officer shall ensure that all public officers under his control have access to copies of these Regulations and are fully conversant with the financial and accounting procedures and requirements embodied in them.

Part II – Financial control (regs 4-6)

4. Power to authorise expenditure

- (1) For purposes of having the control of public money the National Assembly shall be vested with exclusive right to authorise public expenditure, through the approval of annual Estimates of Expenditure and the enactment of Appropriation Acts.
- (2) The Appropriation Act and the approved Estimates of Expenditure shall constitute the means by which the National Assembly exercises control over the expenditure of public moneys by the Government during the year to which they relate.
- (3) When the Estimates have been approved and the Appropriation Act enacted, the expenditure for the year shall be held and arranged in accordance with the Heads and sub-heads contained therein and shall be limited by the provision in each item shown in the Estimates of Expenditure, and it may only be increased or varied by the National Assembly or in accordance with the provisions of the Public Finance Act or under general or specific authority delegated by the National Assembly.
- (4) The Appropriation Act shall allocate funds by vote and any variation in such allocation shall be approved by the National Assembly in a further Appropriation Act(s). The division of the funds by sub-head and item shall be controlled by the Minister under the authority of Section [5\(1\)\(b\)](#) of the Public Finance Act and any variation in the amount allocated to a sub-head or item by such division shall have the prior approval of the Minister.

5. Legislative control of revenue

- (1) The revenue from duties, licenses, taxes, and any other source and the circumstances in which they shall be required to be paid are controlled by the National Assembly by the enactment of the relevant Acts, or regulations to be made thereunder.
- (2) In the case of charges for Government services, they shall be costed on the basic principle that the cost of the services are to be covered by the revenue obtained from the charges raised and if that is not achieved the services shall in effect be given a hidden subsidy from public moneys and control of expenditure by the National Assembly shall thereby be improperly avoided.

6. Expenditure of international loans

For the avoidance of doubt, no public moneys may be spent if the expenditure thereof would contravene the terms and conditions attached to any grant or loan made available to the Government by any other Government, Institution or Authority, or any instructions which may for the time being be in force regulating the issue of money from such other Government, Institution or Authority's funds.

Part III – Duties and responsibilities of Ministers (regs 7-8)

7. Responsibilities and powers of the Minister

- (1) The Minister shall be responsible for the development and implementation of a macroeconomic and fiscal policy framework for the Government.
- (2) In addition to subregulation [\(1\)](#), the Minister shall also be responsible for maintaining the financial control of the National Assembly and shall have the duty to account fully to it.
- (3) For purposes of ensuring proper discharge of responsibilities under subregulations [\(1\)](#) and [\(2\)](#) the Minister shall be empowered to supervise, control and direct all matters relating to the financial affairs of the Government.

- (4) In particular the Minister shall be responsible for—
- (a) developing and implementing a macroeconomic and fiscal policy framework for the Government;
 - (b) the co-ordination of international and inter-governmental financial and fiscal relations;
 - (c) advising Government on the total of resources to be allocated to the public sector in the light of its objectives and the economic and financial environment;
 - (d) advising Government on the level of resources appropriate for individual programmes, taking account of its policies and commitments;
 - (e) ensuring the maintenance of systems both centrally and in Ministries and Departments for the planning, allocation, budgeting and control of resources;
 - (f) supervising the use of resources by Government to ensure that they are used economically, efficiently and effectively and that value for money is achieved;
 - (g) approving the estimates of revenue and expenditure for presentation to the National Assembly;
 - (h) the establishment and maintenance of an effective system of accounts within Government; and
 - (i) the establishment and maintenance of proper practices in the handling and expenditure of public money and property.

8. Responsibilities of other Ministries and Departments

- (1) The sector Minister or head of department shall be responsible for implementation of the Ministry's policy and its statutory functions in the most economic, efficient and effective manner within its overall allocation and any cash or other financial limits imposed by the Minister of Finance.
- (2) Ministries and Departments must ensure that—
 - (a) all resources, including money, manpower and capital assets are allocated and deployed to best effect; and
 - (b) all controls such as those contained in the approved Estimates and Warrants are strictly observed.
- (3) It shall be the responsibility of a Ministry or Department to co-operate with the Ministry of Finance on the provision of information to enable proper and effective advice to be given to the Minister on the effective discharge of his duties and responsibilities as set out in the Act and in regulation 7(4).
- (4) For purposes of ensuring proper discharge of the responsibility under subregulation (3), every Ministry and Department shall—
 - (a) consult with the Permanent Secretary on any new proposals which would commit the Government to find resources in addition to an agreed programme before a paper is circulated to Cabinet; and
 - (b) consult with the Permanent Secretary at a formative stage in policy discussions which could have substantial implications for its central responsibilities.
- (5) Every Ministry, Agency or Department shall be responsible to ensure that information is available to the general public in respect of its activities and finances and for this purpose each Ministry, Agency or Department shall prepare and make available to the general public an Annual Report stating out—
 - (a) the overall budget strategy;
 - (b) the nature and objectives of each main programme;

- (c) assessments for output and performance against objectives;
 - (d) a summary of the financial results for the fiscal year of the Ministry, Agency or Department in a form approved by the Accountant-General;
 - (e) the plans for the year ahead, as approved by Parliament; and
 - (f) the provisional plans for the two subsequent years.
- (6) The Accounting-Officer appointed under the provisions of the Act shall be responsible for the discharge of the duties specified under these Regulations.
- (7) The Permanent Secretary in a sector Ministry shall be responsible for the discharge of responsibilities for the money entrusted to the Ministry, for the use made of its resources, and for the control of assets in its keeping such as land, buildings or other property.
- (8) The administrative structure of a Ministry or Department, or the adoption of modern management and accountability arrangements such as those involved in the establishment of Executive Agencies, may require the appointment of additional Accounting Officers within a Ministry or Department.
- (9) Where one or more officials, other than the Permanent Secretary are appointed as Accounting Officers for certain votes or accounts, a clear understanding of their relationship not only with their Minister but also with the Permanent Secretary shall be established.
- (10) The Permanent Secretary shall be in charge of the Ministry and in particular, of its organisation, management and staffing and department procedure in financial and other matters, and he shall be required to ensure that these promote the efficient and economical conduct of all its affairs, and safeguard financial propriety and regularity throughout the Ministry.
- (11) Any additional Accounting Officers appointed under subregulation (8), shall be responsible for the votes and accounts assigned to them.

Part IV – Duties and responsibilities of Officers (regs 9-12)

9. The Permanent Secretary

- (1) The Permanent Secretary shall be the administrative head of the Ministry and shall exercise overall administrative control over it in the name of the Minister, and he shall be responsible for ensuring that the Ministry is responsive to the needs of the Minister in the discharge of his statutory and political duties and in particular shall ensure that prompt and effective advice is made available to the Minister whenever required.
- (2) The Permanent Secretary shall be responsible to the Minister for the effective application of the Act and these Regulations.
- (3) In order to discharge this responsibility properly the Permanent Secretary shall, prior to exercising any function conferred on him under the Act, advise the Minister of his or her intended action and in particular when acting in his capacity as Paymaster General under section 8 of the Act he shall advise the Minister of the intended appointment of Accounting Officers.
- (4) In order to discharge his duties under the Act and these Regulations and to ensure compliance with any instruction or direction issued under them, the Permanent Secretary or any other Officer authorised by him in writing in that behalf shall be entitled to issue instructions to Accounting Officers which are not inconsistent with the Act or these Regulations or inspect all Officers of the Government and be availed with all information, documents and records he may require with regard to the money and property of the Government.
- (5) The Permanent Secretary may be consulted by Accounting Officers on any matter concerning the application of the provisions of the Act and he shall bring to the immediate attention of the Minister any defect in them which may result in a diminution of control over the assets and

finances of the Government and within the limitations imposed by the Act and these Regulations, the Permanent Secretary may give such directions and instructions as he or she may consider necessary for the advantage, economy and safety of public money and public property.

- (6) The Permanent Secretary shall be responsible for ensuring an effective system is in place for the collection of information to ensure the timely and effective preparation of the Annual estimates of Expenditure for consideration and approval by the Minister and submission to the National Assembly and he shall also have a duty to ensure that such estimates are prepared in accordance with any general or specific direction of the Minister and that they reflect, as can best be ascertained at the time, good value for money and the effective use of Government's resources.

10. The Accountant-General

- (1) The Accountant-General's Department shall be responsible for the collection of government's revenue from or on behalf of Accounting Officers, the settlement of bills, accounts and other charges on behalf of Accounting Officers and the management of the cash resources generated by these transactions.
- (2) The Accountant-General shall be the Head of the Accountant-General's Department, the principal accounting officer of the Government and the chief Adviser to the Minister and Permanent Secretary on accounting matters.
- (3) The Accountant-General shall be responsible to the Permanent Secretary and shall be charged with the responsibility for the compilation and management of the accounts of the Government, and within the limitations imposed by the Act and these Regulations, he or she may give such directions and instructions as he may consider necessary for the better performance of his duties and responsibilities under the Act and these Regulations.
- (4) It shall be the duty of the Accountant-General, subject to any general or specific directions issued by the Permanent Secretary, to—
 - (a) specify for every Ministry division, department, fund, agency or other unit required to produce accounts under section 25 of the Act the basis of the accounting to be adopted and the classification system to be used and shall ensure that an appropriate system of account is established in each of them which is in accordance with Generally Accepted Accounting Practice, and which ensures that all monies received and paid by the Government are brought promptly and properly to account;
 - (b) ensure that the system of internal control in every Government Ministry, Officer, Fund, Agency or other unit required to produce accounts under section 25 of the Act is appropriate to the needs of the organisation concerned and conforms to internationally recognised standards;
 - (c) ensure that the internal audit function in each Government Ministry, Officer, Fund, Agency or other unit required to produce accounts under section 25 of the Act is appropriate to the needs of the Organisation concerned and conforms to internationally recognised standards in respect of its status and procedures;
 - (d) to refuse payment on any voucher wrong or insufficient in content or authority, or which contravenes any regulations, orders, directions or instructions properly made or given for the management of public moneys, or which, in his opinion, is in any way unacceptable in support of a charge on public funds;
 - (e) to ensure that adequate provision is made for the safe custody of public moneys, securities, revenue receipt books, licenses and other documents of value;
 - (f) to exercise supervision over the receipt of public revenue to ensure that it is collected punctually and with the least possible delay; in the performance of this duty the Accountant-General shall ensure that he obtains regular returns of arrears of Revenue from departments so that he may be aware of the nature and extend of the outstanding revenue;

- (g) to bring promptly to account under the proper Heads, sub-heads and items or other accounts as may be appropriate, all receipts of public moneys paid to, or accounted for, to him;
 - (h) to supervise the expenditure and other disbursements of the Government and to report to the Permanent Secretary in writing, any expenditure or disbursement which after due enquiry appears to him to be excessive, extravagant or unauthorised;
 - (i) to exercise effective supervision over all the Officers of the Treasury entrusted with the receipt and disbursement of public moneys;
 - (j) to carry out sufficient checks, including surprise inspections within the Treasury and at all other Departments and officers, to ensure that all regulations, orders, directions and instructions relating to the receipt, disbursement, safety, custody and control of public moneys, stamps, securities, stores and other public property are being complied with and to ensure that the accounts and controls provide full and effective protection against losses or irregularities;
 - (k) to report to the Permanent Secretary in writing any defects in the departmental custody, control or collection of public moneys, securities, stores and other public property;
 - (l) to ensure that the financial terms and conditions of any trust, loan, grant or grant-in-aid are fully complied with; and
 - (m) to prepare promptly and accurately all financial statements and returns for which he is responsible and to render the accounts promptly for audit.
- (5) Notwithstanding any delegation to him under section 6(5) of the Act, the Accountant-General shall be entitled to inspect all Ministeries, Officers and Agencies and access at all times and shall be given all available information he may require or consider necessary for the purpose of the discharge of his duties under subregulation (4)(a), (b), (c) and (k).
- (6) The Accountant-General shall report annually to the Permanent Secretary on the discharge of his function under this Act, identify any defect, shortcoming or other factor which in his opinion has affected materially the Minister's responsibility under section 5 of the Act and identifying for the current and following financial years—
- (a) the basis of accounts required to be adopted under subregulation (4)(a) of this regulation;
 - (b) any difference between Generally Accepted Accounting Practice recommended by the accounting profession for use in the Government and that specified by him for use under the provisions of subregulation (4)(a) of this regulation; and
 - (c) the basis on which the standards required by subregulation (4)(b) and (c) have been set.
- (7) A copy of the report shall be sent to the Controller and Auditor-General.

11. Accounting Officers

- (1) An Accounting Officer who shall be normally the Permanent Secretary of the respective Ministry or Head of Department, shall be appointed in writing by the Permanent Secretary in his capacity as Paymaster General to be personally and pecuniarily responsible for each Head of revenue and expenditure and who shall be the public officer with overall responsibility and accountability for the collection and receipt of all revenue or for all disbursements of expenditure in respect of that Head.
- (2) Accounting Officers shall be expected by the Controller and Auditor-General and the Public Accounts Committee of Parliament to bring to their attention any cases of apparent waste of extravagant administration or failure to achieve value for money in addition to any weakness in financial procedures, and they shall also be expected to provide satisfactory explanations to the Committee in such cases.

- (3) An Accounting Officer shall be required to—
- (a) sign the appropriation, trading and other accounts assigned to him under the provisions of the Act or these Regulations, and in doing so accept personal responsibility for their proper presentation as prescribed in these legislation or by the Accountant-General;
 - (b) ensure that the financial procedures established by the Act, these Regulations and any instructions issued by the Accountant-General are followed and that accounting records are maintained in a form suited to the requirements of management as well as in the form prescribed for vote accounting purposes;
 - (c) ensure that the public funds and resources for which he is responsible as Accounting Officer are properly and well managed and safeguarded, with independent and effective checks of cash balances in the hands of any official; similar care, including checks as appropriate, must be takers of stores, equipment or property of any kind held by his department;
 - (d) establish and maintain an effective system of internal control over the financial and related operations for which he is responsible and wherever practicable establish and maintain an effective internal audit organisation which shall be responsible to him for—
 - (i) the regular appraisal of the adequacy of the compliance with the system of internal control;
 - (ii) the review of operations or programmes to ascertain whether results are consistent with established objectives and goals and whether the operations or programmes are being carried out as planned; and
 - (iii) the regular reporting to him of the results of any appraisal, inspection, investigation, examination or review conducted by the organisation.
- (4) The Accounting Officer shall comply with any instructions issued by the Accountant-General and in that capacity shall—
- (a) establish and maintain, if so required by the Permanent Secretary, an Audit Committee and set out in a charter to be approved by the Permanent Secretary its membership, powers, responsibilities, functions and accountabilities in conformity with these Regulations;
 - (b) ensure that, in the consideration of policy proposals relation to the expenditure or income for which he is an Accounting Officer, all relevant financial considerations are taken into account, and where necessary brought to the attention of Ministers;
 - (c) report to the Permanent Secretary any apparent defect in the procedure for revenue collection, or any apparent waste or extravagance in expenditure, which comes to his notice in the course of his accounting duties;
 - (d) produce when required by the Permanent Secretary, or the Controller and Auditor-General or by such officers as may be appointed by them, all cash, books, records or vouchers in his charge;
 - (e) reply substantively to any queries addressed to him by the Controller and Auditor-General and within any time period set by that Officer; failure to do so will be a serious disciplinary offence and referred as such to the Public service Commission or other appropriate disciplinary authority; and
 - (f) study the public convenience and institute such arrangements as may properly be made to facilitate the transaction of business with the public; it shall be a particular duty to ensure that the arrangements for the collection of revenue from the public are conducive to its maximisation.
- (5) An Accounting Officer may authorise other public officers under his control to exercise or perform such part of his powers and duties as he may think fit.

- (6) The limits of any such delegation shall be set out in writing and shall be sufficiently clear and unequivocal to avoid dispute or misunderstanding, and such delegation shall in no way relieve the officer making it from any portion of his responsibility should he depute to a subordinate the performance of duties which he could have performed personally.
- (7) Any officer, including an Accounting Officer who directs any disbursement of public moneys, or issuance of stamps, securities, stores or other public property without proper authority shall be held personally responsible for the amount or value involved, and any officer including an Accounting Officer whose duties required him to render accounts will similarly be held responsible for any inaccuracies in those accounts and he may be proceeded with in accordance with the provisions of section 10 of the Act.

12. Directives likely to cause over commitment or overspending

- (1) Where, the implementation of any directive from any authority is likely to result in over-committing or overspending of the Vote, the Accounting Officer shall, in writing, inform that authority of the likelihood of such directive resulting in overspending.
- (2) A decision of that authority to proceed with the implementation of the directive shall be signified in writing and the Accounting Officer shall file with the Paymaster General, the Accountant-General and the Controller and Auditor-General a copy of a document in respect of which a directive has been given.

Part V – Losses (regs 13-27)

13. Losses

Any loss of money or store shall be recorded and brought to the attention of the National Assembly.

14. Write-off of losses

- (1) The Minister may, if so authorised by a Resolution of the National Assembly and to the extent specified in such Resolution, abandon and remit any claims by or on behalf of the Government or any service thereof and write off losses of or deficiencies in public moneys or public resources, and such a Resolution may specify the maximum amount authorised for each write-off or abandonment and the total sum authorised to be written off or abandoned in a financial year.
- (2) In respect of minor losses the Minister may delegate to the Permanent Secretary or other Accounting Officer the power to write off such losses up to a specified amount as well as a total for the financial year.

15. All written off sums to be included in supplementary appropriation bill

- (1) In order to regularise any loss all sums approved by the Minister to be written off either directly or under delegated authority shall be included in a Supplementary Appropriation Bill to be introduced in the National Assembly for approval.
- (2) Where any one instance of loss or abandonment or the total loss exceeds the amount authorised by the Resolution then the amount involved shall be charged against expenditure and treated as excess expenditure in accordance with the provisions of section 19 of the Act.

16. Annual statement of losses

- (1) In order to keep track of losses each department of the Government shall, in addition to conforming to the reporting requirements of these Regulations, keep a register of losses incurred in the department showing the nature of the loss and the action taken.

- (2) The Accountant-General, shall, as soon as all losses are brought to his attention, cause to be registered and maintain a register of all losses incurred throughout Government and as soon after the closure of the Financial Year as is practical, submit a list of all losses incurred during that year to the Permanent Secretary, the Controller and Auditor-General; and the Public Accounts Committee for their examination.

17. Classification of losses

For the purposes of ensuring that the National Assembly or any person receives clear notification of all instances of loss, such losses shall be classified as follows—

- (a) cash losses;
- (b) stores losses;
- (c) losses through claims waivers or abandonment;
- (d) losses through fruitless or nugatory payments;
- (e) any other losses.

18. Cash losses

- (1) Cash losses shall be divided into the following sub-categories in order of importance, namely—
 - (a) losses of cash by fraud, theft arson or from any other cause involving gross carelessness;
 - (b) losses of cash by fire, sinking of a ship or any other unforeseeable circumstances;
 - (c) overpayments of pay, allowances, pensions, grants, subsidies due to miscalculation or misinterpretation of legislation;
 - (d) overpayments of a similar nature due to the non-disclosure of the full facts by the beneficiary short of fraud;
 - (e) unauthorised issues of cash such as where officers are paid wages, allowances or made other payments not admissible under the appropriate legislation;
 - (f) unvouched expenditure such as missing vouchers; and
 - (g) charges to clear inexplicable debit balances on under-the-line accounts.
- (2) Any cash loss under this regulation shall be charged to the most appropriate item, and it will also be included in the annual statement of losses prepared by the Accountant-General in order that it can be investigated properly by the Public Accounts Committee.

19. Stores losses

- (1) Stores losses shall be divided into the following sub-categories—
 - (a) losses by fraud, theft, arson, sabotage or from any other cause involving gross carelessness;
 - (b) losses from "Incidents of the Service" which include fire (other than arson) stress of weather and accident beyond the control of any responsible person;
 - (c) losses due to deterioration in store, arising from a defect in administration; and
 - (d) losses due to natural causes such as evaporation.
- (2) All stores losses shall be included in the annual statement of losses prepared by the Accountant-General, and shall be submitted to the Public Accounts Committee for further examination.

20. Losses by claims, waivers or abandonment

- (1) Losses through claims, waives or abandonment include—
 - (a) a claim made either for services rendered or services given, or for an actual contractual or other legal obligation of a contractor or any other person to the government;
 - (b) a claim which arises in any case where payment is not received including cases in which there is a failure to make a claim or to pursue it to finality; and
 - (c) a voluntary decision not to present or pursue a claim which could be properly made.
- (2) All losses which are specified under subregulation (1) shall be included in the annual statement of losses prepared by the Accountant-General and shall be submitted to the Public Accounts Committee for further investigation.

21. Losses through fruitless or nugatory payments

- (1) Losses through fruitless or nugatory payments include—
 - (a) payment of a retainer for professional services where these services are not in fact used;
 - (b) payment for accommodation rented but not used;
 - (c) payment for goods wrongly ordered or accepted through irregularity or negligence other than an error of judgement.
- (2) For purposes of this regulation fruitless or nugatory payment means a payment which is unavoidable and there is nothing useful to show for it.
- (3) All losses specified under subregulation (1), shall be included in the annual statement of losses prepared by the Accountant-General in order that they can be investigated properly by the Public Accounts Committee.

22. Action by officers on discovery of losses

- (1) If a public officer discovers any loss or shortage of public moneys, stamps, fixed fee receipts, licences stores or other Government property or any destruction or damage to Government property he shall make an oral report to his senior officer, who will forthwith report the matter orally to his or her Accounting Officer.
- (2) The initial report made under subregulation (1) shall be followed up immediately by a written report to the Accounting Officer describing the nature, amount and circumstances of the loss, shortage, damage or destruction.
- (3) The Accounting Officer shall in turn report the matter in writing to the Accountant-General and Controller and Auditor-General and if the loss is of a large or unusual nature, a copy of the report shall also be sent to the Permanent Secretary.
- (4) No public officer shall withhold the report of a loss even through restitution may have been made, nor may a report be deferred to enable investigations to be pursued.
- (5) A public officer who fails to report a loss to the appropriate authority shall be treated as having committed a serious disciplinary offence and if found in breach of this regulations shall be suspended from duty with immediate effect and the matter reported to the appropriate disciplinary body.
- (6) On receipt of the report from the Accounting Officer, the Accountant-General shall immediately open an advance account in the name of that Accounting Officer, debiting the account with the amount or value of the loss.

- (7) The account opened under subregulation (6), shall remain in the name of the Accounting Officer unless and until responsibility for the loss or shortage has been finally allocated by the Permanent Secretary to another officer in accordance with these Regulations and such account shall not be closed until it is cleared by equivalent credits derived either from recoveries from the Officer responsible or by journal entry, the corresponding debit entry being to the appropriate expenditure item for "Losses and Write-offs" following authority being given for write-off.
- (8) Upon receipt of the report of the loss or shortage the Accounting Officer shall arrange for an investigation to be carried out, in any case in which he has reason to suspect that misappropriation, theft or fraud may be involved he shall also make an immediate report to the Police.
- (9) After investigating the loss the Accounting Officer shall submit a full report signed by him, to the Accountant-General with a copy to the Permanent Secretary and to the Controller and Auditor-General, and that report shall state the following—
- (a) the nature of the loss or shortage;
 - (b) the amount involved;
 - (c) the place, and, if known, date on which the loss or shortage occurred;
 - (d) the date and if applicable, time of discovery of the loss or shortage;
 - (e) the exact circumstances in which the loss or shortage arose;
 - (f) whether the loss or shortage was the result of a failure to observe current accounting instructions;
 - (g) whether the loss or shortage was due to a fault in the accounting system;
 - (h) whether the loss or shortage was discovered as the result of the internal check and if not, why the internal check failed to reveal it;
 - (i) whether misappropriation, fraud, negligence or other irregularity was involved;
 - (j) the name and designation of the officer considered to be responsible for the loss or shortage;
 - (k) whether that officer has made good the loss or shortage;
 - (l) whether that officer's suspension or interdiction from duty is recommended;
 - (m) whether disciplinary or recovery action in accordance with section 10 of the Act is recommended and against whom and, if not, why not;
 - (n) whether the loss or shortage was reported to the Police (if so, the Police report should be attached); and
 - (o) the measures taken or recommended to prevent the recurrence of a similar loss or shortage.
- (10) In any other case of loss such as when an overpayment occurs which cannot be recovered or in which revenue or other debt due to the Government is deemed uncollectible, the Accounting Officer shall submit a full report to the Permanent Secretary, with a copy to the Accountant-General and to the Controller and Auditor-General which report shall be signed by the Accounting Officer and it shall state the following—
- (a) the nature of the overpayment, revenue or other debt which is not recovered;
 - (b) the name and designation of the officer who made the overpayment or is responsible for the failure to collect the revenue or debt;
 - (c) the amount involved, supported where appropriate by detailed lists showing the names of the defaulters, the amounts outstanding in each case, in the case of revenue the year in which it was due, and the dates on which demands and reminders were dispatched;
 - (d) the reasons why the overpayment occurred or the revenue or other debt cannot be recovered;

- (e) the action taken to recover the overpayment, revenue or debt, including any legal means taken, whether this is considered to have been adequate and the action taken by the Accounting Officer personally;
- (f) whether the overpayment or failure to collect revenue or debt arose from a failure to observe current accounting instructions or from a fault in those instructions or in the accounting system;
- (g) whether the amount involved has been made good by the officer responsible;
- (h) whether disciplinary or recovery action in accordance with section 10 of the Act is recommended and against whom and, if not, why not.

23. Large or unusual losses

- (1) The Permanent Secretary shall establish a Standing Board of Enquiry which shall be charged with the duty of investigating the circumstances of any large or unusual losses referred to it by that Permanent Secretary, the Accountant-General or the Controller and Auditor-General or which are referred to it under these Regulations.
- (2) Notwithstanding the provisions of subregulation (1), the Standing Board of Enquiry shall not investigate any matter which have been reported to the police or in which criminal action is pending unless such proceedings are completed or discontinued.
- (3) The Standing Board of Enquiry shall consist of a Chairman, a Secretary and two members appointed by the Permanent Secretary.
- (4) The Secretary of the Board shall be responsible for the maintenance of a register showing details of all cases referred to it and their disposal and shall circulate copies of all referrals to the Accountant-General and Controller and Auditor-General.
- (5) On receipt of his copy of a referral under subregulation (1) the Accountant-General shall immediately open an advance account in the name of the Accounting Officer, debiting the account with the amount or value of the loss if this has not been previously done and that account shall remain in the name of the Accounting Officer unless and until responsibility for the loss or shortage has been finally allocated by the Permanent Secretary to another officer in accordance with these Regulations.
- (6) The account shall not be closed until it is cleared by equivalent credits derived either from recoveries from the Officer responsible or by journal entry, the corresponding debit entry being to the appropriate expenditure item for "Losses and Write-offs" following authority being given for the write-off.
- (7) The Standing Board of Enquiry shall meet at the time and place most suitable for the purpose of its enquiry, and it shall hold its first meeting within seven working days of any referral. The Board may regulate its own proceedings, taking evidence from such persons as it may consider appropriate either orally or in writing but such evidence shall not be taken on oath.
- (8) On completion of its enquiries the Board shall, without delay, report to the Permanent Secretary forwarding copies of the report to the Accounting Officer concerned, the Accountant-General and Controller and Auditor-General and the report shall include—
 - (a) a statement of the amount and nature of the loss or shortage; if the amount cannot be established precisely, the Board will estimate it, given the basis on which the calculation has been made;
 - (b) an opinion on whether the system or its application was at fault, together with recommendations for any corrective action which should be taken to prevent the recurrence of a similar loss or shortage;

- (c) whether Police or legal action was taken in respect of the loss or shortage and, if so, the details and outcome thereof;
- (d) an opinion on who, if anyone, was responsible for the loss or shortage, the degree of that responsibility and if more than one person was responsible, the apportionment of the blame;
- (e) whether disciplinary or recovery action is recommended under section 10 of the Act and against whom and, if not, why not; and
- (f) any other matters on which the Board considers should be brought to the attention of the Permanent Secretary.

24. Corrective action

The Accounting Officer, Accountant-General or the Permanent Secretary, as the case may be, shall where he is satisfied that any loss which has occurred was due to overpayment or failure to collect revenue or debt, in which defects in systems, procedures or instructions appear to have been either wholly or partially responsible, take immediate action to correct the fault and such action shall not be deferred pending the decision on whether to write off the amount or recover it from the officer responsible.

25. Action to be taken by the Minister

- (1) The Permanent Secretary shall, upon receipt of the reports submitted to him under subregulations (9) and (10) of regulation 21, any report of the Board of Enquiry made under subregulation (9) of regulation 22 and the results of the police investigations or legal action taken, make recommendations to the Minister who shall decide on whether the amount should be written-off or if outside his powers, recommend for write-off and whether disciplinary or recovery action has to be taken against the officer deemed to be responsible.
- (2) The Minister's decision or recommendation shall be communicated to the Accounting Officer concerned, to the officer deemed to be responsible for the loss or shortage, to the Accountant-General, the Controller and Auditor-General and where appropriate to the Secretary to the Standing Board of Enquiry by the Permanent Secretary.
- (3) If it is decided that disciplinary action is to be taken against the officer deemed to be responsible, the matter shall be referred to the Public Service Commission.
- (4) Where recovery action is to be taken against the officer deemed to be responsible, the Permanent Secretary will determine the amount of the recovery bearing in mind the amount of the loss sustained by Government.
- (5) The Permanent Secretary shall, in writing, notify the officer concerned of his decision to take recovery action against that officer, with a copy to the relevant Accounting Officer, the Accountant-General and the Controller and Auditor-General and where appropriate the Secretary to the standing Board of Enquiry and such notification shall call upon the Officer within such period as the Permanent Secretary may allow (being not less than thirty days), to show cause why he should not be subject to recovery action for the amount decided.
- (6) On receipt of the reply by the officer the Permanent Secretary shall confirm, reduce or remove the recovery advising the officer, the Accounting Officer, the Accountant-General and the Controller and Auditor-General accordingly and a copy of the papers concerned and the decision made shall be sent to the Minister who shall review that decision of the Permanent Secretary.
- (7) Notwithstanding the provisions of subregulation (6), no action shall be taken to implement the decision of the Permanent Secretary until such review by the Minister is completed and the decision confirmed.

26. Recovery action subject to judicial review

The amount involved in any recovery action imposed by the Permanent Secretary and confirmed by the Minister, shall, subject to any counterclaim by the officer in the court or any judicial review by the court, be recovered as a civil debt due to the Government, and may be deducted from any salary or other amount due by the Government to the officer concerned.

27. Unauthorised or excess payment treated as large or unusual loss

Any expenditure disallowed by the Controller and Auditor-General under section 32 of the Act or any payment which has not been properly sanctioned by the National Assembly in an Appropriation Act shall be treated as a large or unusual loss of public moneys and shall be referred to the Standing Board of Enquiry established under regulation 12 of these Regulations.

Part VI – Audit committees and Internal Audit (regs 28-35)

28. Internal Audit Service

In order to discharge his responsibilities under these Regulations an Accounting Officer shall establish an effective Internal Audit Service unit throughout the Ministry, Department or Agency or other reporting unit as the case may be, for which he is responsible and may be advised by the Permanent Secretary to establish an audit Committee.

29. Role of the Accountant-General

- (1) In order to ensure that adequate and consistent standards of Internal Audit are applied throughout the Government, the Accountant-General shall be responsible under these Regulations for ensuring that the status and powers of the Internal Audit function in each Ministry, Department or Agency of Government conforms to internationally accepted standards.
- (2) For purposes of discharging of the functions under subregulation (1) the Accountant-General shall have power to—
 - (a) issue instructions regarding internationally known standards of internal audit to the Accounting Officers;
 - (b) inspect the internal control and audit functions displayed by the Accounting Officers,to ensure that such instructions are being implemented and the appropriate standards are achieved.
- (3) The instructions issued and inspection made under subregulation (2) shall, in particular, seek to ensure that the Internal Audit Service is capable of operating independently of the management of a Ministry, Department or Agency and that no limitation is placed on its access to information and it shall be incumbent on both the Accounting Officers and the Head of the Internal Audit in the Ministry, Department or Agency, as the case may be, to ensure that all instructions are enforced and implemented in respect of the audit functions.

30. Audit Committees

There shall be in each Ministry, Department or Agency a Committee to be known as the Audit Committee.

31. Audit Committees membership

- (1) An Audit Committee shall be composed of senior members of the Ministry, Agency or Department as the case may be, nominated by the respective Accounting Officer and at least one member appointed by the Permanent Secretary from external sources.

- (2) The total membership of an Audit Committee shall not be more than five nor less than three, and at least one of the members shall have experience of accounting and auditing.

32. Audit Committees functions

- (1) The Audit Committee shall—
- (a) meet at least quarterly;
 - (b) be responsible for the approval of internal annual and strategic audit plans of the Ministry, Agency or Department;
 - (c) review all internal and external audit reports involving matters of concern to senior management of the Ministry, Agency or Department, including the identification and dissemination of good practices;
 - (d) provide advice to the Accounting Officer on action to be taken on matters of concern raised in a report of the internal auditor or in a report of the Controller and Auditor-General concerning the Ministry, Agency or Department;
 - (e) as far as practicable, co-ordinate audit programs conducted by internal auditors and the programs conducted by the Controller and Auditor-General;
 - (f) provide advice to the Accounting Officer on the preparation and review of financial statements of the Agency; and
 - (g) prepare an Annual Report on its functions, copies of which shall be sent to the Permanent Secretary, the Accountant-General and the Controller and Auditor-General.
- (2) In order to discharge its responsibilities effectively, an Accounting Officer shall ensure that the Committee has access to him at all reasonable times and that it has the power to—
- (a) call for independent advice on auditing, accounting and accountability issues;
 - (b) call *ad hoc* meetings; and
 - (c) require the attendance of any officer or employee of the Ministry, Agency or Department at committee meetings.
- (3) The Controller and Auditor-General shall be informed in advance of all meetings of the Committee and shall have the right to be represented at any meeting of the Committee.

33. Definition of internal audit and internal control

For purposes of this Part the terms—

"internal audit" means an independent appraisal activity established within a Ministry, department or Agency or other reporting unit which operates as a service to the Head of the unit involved, of which it controls activity functions by examining and evaluating the adequacy and effectiveness of internal controls in the unit reviewed and for conducting operational/value for money audits throughout the unit in order to ensure that proper systems of internal control and accounting systems exist throughout the unit;

"internal control" means a set of systems operated by an organisation to ensure that financial and other records are reliable and complete, and they adhere to management policies orderly and efficient conduct of the business, and proper recording and safeguarding of assets and resources.

34. Duties of Internal Audit Service unit

- (1) The Internal Audit Service unit shall appraise the soundness and application of accounting, financial and operational controls and in particulars shall—
 - (a) review and report on proper control over the receipt, custody and utilisation of all financial resources of the unit;
 - (b) review and report on conformity with financial and operational procedures laid down in any legislation or any regulation or instruction issued under such legislation and good accounting practice as from time to time defined by the Accountant-General in order to avoid incurring obligations and authorising payments to the extent which would ensure effective control over the expenditure of the unit;
 - (c) review and report on the correct classification and allocation of revenue and expenditure accounts;
 - (d) review and report on the reliability and integrity of financial and operating data so that information provided allows for the preparation of accurate financial statements and other reports for the information of the unit and the general public as required by legislation;
 - (e) review and report on the systems in place used to safeguard assets, and, as appropriate, the verification of the existence of such assets;
 - (f) review and report on operations or programs to ascertain whether results are consistent with established objectives and goals;
 - (g) review and report on the adequacy of action by management in response to internal audit reports, and assisting management in the implementation of recommendations made by those reports and also, where appropriate, recommendations made by the Controller and Auditor-General; and
 - (h) review and report on the adequacy of controls built into computerised systems in place in the unit.
- (2) In addition to the duties specified under subregulation (1), the Internal Audit Service unit will respond, subject to resource constraints, to *ad hoc* requests for audit assistance or advice as may be requested by the Accounting Officer or the Heads of Departments of a unit.

35. Ministry, Department or Agency to comply with instructions

- (1) The responsibility of the Internal Auditor for checking and reporting shortcomings in connection with the accounts, finances and related operations of the Ministry, Department or Agency, shall not absolve any Ministry, Department or Agency Officer from responsibility for complying or securing compliance with instructions within the scope of his own authority.
- (2) The prevention, detection and investigation of internal fraud shall be the responsibility of management, although in conducting audit assignments the internal auditor shall be alert to opportunities, such as control weaknesses that could allow fraud and where fraud is suspected the appropriate authorities within the department will be informed.

Part VII – Estimates of revenue and expenditure (regs 36-45)

36. Macro-economic and fiscal framework and Annual Estimates

- (1) The Minister shall be responsible under section 5 of the Act to supervise the finances of the United Republic of Tanzania on behalf of the National Assembly and to do so effectively he requires the development and implementation of a macroeconomic and fiscal policy framework for Tanzania and the provision of regular, full and transparent accounts to the National Assembly of the

- current and projected state of the economy and finances of Tanzania and the fiscal policy of the government.
- (2) To enable the Minister to discharge his duty the Permanent Secretary shall ensure that the Minister is provided with comprehensive financial and other information which will enable him or ensure that full and transparent reports are made to the National Assembly both immediately before the Annual Estimates as are presented to the National assembly and, if necessary, during the fiscal year and such reports will normally—
- (a) set out recent trends and developments as indicators of the economy of Tanzania;
 - (b) identify the period considered by the Minister to be appropriate for the planning of the fiscal policy of the Government;
 - (c) provide forecasts of the indicators referred to in paragraph (a) of this regulation for the year to which the estimates refer and the period determined by the Minister under paragraph (b) of this Regulation;
 - (d) supply detailed information on recent fiscal developments and forecasts for the period determined by the Minister under paragraph (b) of this subregulation in respect of—
 - (i) revenues;
 - (ii) recurrent and capital expenditures;
 - (iii) borrowing and debt servicing;
 - (iv) contingent liabilities; and
 - (v) such other information in respect of assets and liabilities as may be considered by the Minister to be appropriate.
- (3) The Minister shall be responsible on behalf of the Government to prepare annual estimates for the cost of services essential to the efficient administration of the United Republic of Tanzania for the forthcoming financial year.
- (4) For purposes of proper discharge of the responsibility under subregulation (3), the Minister shall be required to provide to the National Assembly such information as follows—
- (a) estimates of all revenue to be raised during the financial year to which the budget relates;
 - (b) estimates of total current expenditure for that financial year differentiating between statutory and discretionary;
 - (c) estimates of interest and debt servicing charges, and any repayments on loans;
 - (d) estimates of capital expenditure for that and future financial years broken down by project or categories, and the recurrent operating or maintenance costs arising from such projects;
 - (e) proposals for financing any anticipated deficit allowed in terms of the macroeconomic policy targets and objectives for that financial year;
 - (f) the projected estimated revenue, expenditure and any borrowing for the previous financial year that will be ending shortly after the budget is tabled; and
 - (g) such other details as are necessary to ensure that the comprehensiveness and transparency of the information supplied enables the National Assembly to arrive at appropriate and informed decisions.
- (5) The Permanent Secretary shall be responsible pursuant to the provisions of section 6(3)(a) of the Act to ensure that proper systems are established throughout Government to enable the Minister to discharge his duties and responsibilities in this regard.
- (6) In order to enable the Minister to discharge his duties under subregulations (2), (3) and (4), the Permanent Secretary may, require any Accounting Officer or any public authority or any entity

whose account are required to be audited by the Controller and Auditor-General, or any entity that manages an asset or liability of the Government, to supply such information he considers necessary for the purposes of section 5 of the Act, and such information—

- (a) shall be in writing; and
- (b) may specify the date by which and the manner in which the information required is to be provided.

37. Budget guidelines

- (1) The Permanent Secretary shall, in respect of proposed issues from the Consolidated Fund and other Public Funds issue in each year at an appropriate time budget guidelines requiring all Accounting Officers to submit in accordance with a specified timetable, detailed proposals, applications, requirements and all other explanations relevant to their staff establishment, their anticipated revenue and recurrent and capital expenditure and the anticipated outputs of the following year and to prepare and submit draft estimates in the required form for the revenue and expenditure and outputs for which they are responsible; and the revised estimates of revenue and expenditure and outputs for the current year shall also to be submitted.
- (2) Every Accounting Officer shall comply with the timings set out in the Permanent Secretary's call circular in order that the budgetary processes are not delayed, to allow the National Assembly to have sufficient time to complete its scrutiny of the proposals and also to ensure that the Minister lays the Annual Estimates before the National Assembly before the commencement of each financial year.
- (3) Any proposals submitted by the Accounting Officer outside the deadlines set by the Permanent Secretary may be ignored and the submission made on his behalf by the Permanent Secretary based on the previous years expenditure shall be used.

38. Draft estimates

- (1) Every Accounting Officer shall ensure that his draft financial estimates are realistic and accurate in all respects, and may be held responsible if any revenue or expenditure which he could reasonably have foreseen is overlooked.
- (2) Every estimate shall be prepared in accordance with any instruction or guidance given by the Minister and conveyed to the Accounting Officers through the Permanent Secretary and any Accounting Officer who fails to comply with such instructions or guidance may cause his Estimate submissions to be amended on his behalf by the Permanent Secretary.
- (3) Proposals for any new service or an expansion of an existing service, (including an increase in establishment or an upgrading) stating the amount required and revenue expected, the objectives sought, the activities to be undertaken and the outputs expected, may only be included in the draft estimates of the prior approval of the Minister, given through the Permanent Secretary, has been obtained.

39. Estimates of revenue

- (1) Except for the repayments of advances, receipt from deposits and remittances and the sale of investments forming part of the Consolidated Fund or other Public Fund, the estimate of revenue shall include the gross receipt of the Government that are payable into the Consolidated Fund or any other Public Fund and in particular shall include all—
 - (a) fees;
 - (b) dues;
 - (c) dividends;
 - (d) royalties;

- (e) fines;
 - (f) rents payable into the Treasury;
 - (g) any amount payable to officers in respect of such receipts being provided for in the estimates of Expenditure under subchapter entitled "Personal Enrolments".
- (2) In order that the National Assembly receives an accurate estimate of the total revenue of government, all revenues shall be included in the estimates submitted by the Minister and such revenues shall be estimated as accurately as is possible.
- (3) For purposes of getting an accurate estimate required under subregulation (2) every Accounting Officer must include in his submission all revenue which he expect to collect during the course of the year for all votes and funds under his control and he shall not deliberately underestimate the amount expected to be collected in order to set more easily achievable targets.
- (4) The revenue of the Government shall be arranged by Chapter, representing four broad classes of receipts, and for more effective analysis such classes may be further subdivided by subchapter and items as follows—
- (a) Current Revenue Receipts which shall include—
 - (i) tax revenue, such as income, corporate and withholding, value added, international trade, licenses, stamp duties, import duties any other collectable tax;
 - (ii) non-tax revenue, such as entrepreneurial and property income, administration fees and charges, fines and penalties, contribution to government pension schemes, and other non-tax revenue.
 - (b) Capital Revenue Receipts which shall include—
 - (i) fixed capital assets;
 - (ii) strategic reserves;
 - (iii) land and intangibles;
 - (iv) capital grants from residents and non-residents.
 - (c) Foreign Grants Receipts which shall include—
 - (i) current;
 - (ii) capital;
 - (iii) other levels of government.
 - (d) Revenues of a capital nature which shall include—
 - (i) receipts for the sale of government assets;
 - (ii) receipts from the repayment of government loans.
- (5) In making sub-chapters under subregulation (4) care shall be taken to ensure that no subchapter includes items coming under different sub-chapters.
- (6) Receipts which cannot be placed under any of the specified sub-chapters may be classified under a separate subchapter, as follows—
- (a) in the case of tax revenue, "other tax";
 - (b) in the case of non-tax revenue, "other non-tax income":

Provided that in making such classification due regard shall be taken to ensure that receipts which by type of revenue, can appropriately be placed under any other subchapter are not included in such sub-chapters.

- (7) Where it is found to be appropriate to extend the item classification within their respective chapter when new items are required to be opened authority from the Minister shall be sought.
- (8) The proceeds of the sale of fixed capital assets, strategic reserves, lands and intangible assets, and capital transfers from residents and non-residents, shall be kept distinct in the Estimates from other sources.
- (9) In the case of receipts from the sale of government assets and repayment of loans such receipts shall be distinguished by subchapter and any anticipated acquisitions or on lending shall likewise appear under a separate chapter and sub-chapters of expenditure.

40. Estimates of Expenditure

- (1) The Estimates of Expenditure to be prepared under section 18 of the Act, show as nearly as can be predicted the amounts which it is expected will be actually spent by the Government during the year, and it shall not include indefinite items such as "Unforeseen Expenditure" or "Contingencies" or "Miscellaneous".
- (2) Each Head of expenditure shall, as far as possible, include all the items relating to the services provided under that particular Head and which are in the ambit of the Vote, so as to show clearly the total estimated cost of those items of the Vote.
- (3) Each Head may be divided into sub-heads representing the administrative structure of the Head and each sub-head shall be divided into programmes in accordance with activities to be undertaken in pursuit of stated objectives and which have been previously submitted to the Minister through the Permanent Secretary for approval.
- (4) Every Accounting Officer shall be required to indicate these objectives in their submission and identify the outputs expected from the expenditure to be incurred.
- (5) Each programme will be further divided into chapter, subchapter and item in accordance with the budget and accounts classification issued by the Accountant-General.

41. Ambit of the Vote

- (1) The purposes of expenditure under each Head and the services to be provided under it must be outlined in a preamble to the Head, which forms the "Ambit of the Vote".
- (2) The ambit of a Vote sets out a formal description of the services to be financed from the Vote.
- (3) The wording of the ambits is incorporated in the annual Appropriation Act and therefore provides the statutory description in that Act for the purpose which the funds sought in the Estimate are granted.
- (4) Thus no expenditure can be charged to a Vote which does not fall within the ambit of the Vote.
- (5) The Appropriation Act cannot be used to extend the statutory functions of a Ministry or Department. Thus Expenditure on a new service, which is outside the ambit of a Vote, cannot proceed unless the approval of the National Assembly is obtained through a Supplementary Estimate which proposes to change the ambit as necessary.
- (6) Each Estimate must state the Ministry or Department and the Accounting Officer responsible for accounting for the Vote and set out the gross provision sought in the Estimates by item. Although the National Assembly approves expenditure by Head it controls it by item. This control is exercised by the Minister under the powers delegated to him by section 5 of the Act.

42. Personal emoluments

- (1) All items of personal emoluments to public officers shall appear under a subchapter of the Estimates entitled "Personal Emoluments" which shall contain—
 - (a) salaries;
 - (b) personal allowances;
 - (c) allowance for special duty;
 - (d) overtime allowance;
 - (e) acting allowance;
 - (f) entertainment allowance;
 - (g) housing allowance;
 - (h) allowances *in lieu* of quarters;
 - (i) fuel and night allowances;
 - (j) clothing allowances paid in cash;
 - (k) fees and percentages; or
 - (l) commissions.
- (2) Within the sub-chapter in respect of personal emoluments, there shall be a separate item maintained for civil servants holding pensionable posts and the other item for civil servants holding non-pensionable posts for easy distinguishing of the unfunded pension liabilities of civil service establishment.
- (3) Payments of a kind of job related costs such as travelling while at work or transport and travelling allowances granted in consideration of expenditure incurred on the public service shall not be included as items under subchapter entitled "Personal Emoluments".
- (4) Each allowance shall be identified as a separate item and be described in a separate sub-item; and Government contributions as an employer to social security schemes, pension and welfare schemes, both inside and outside the government shall be included as separate items.
- (5) Where an officer receives emoluments under more than one Head the fact shall be indicated by cross-references or explanatory footnotes, and any pension or compensation allowance, or other emoluments in respect of public service, including the provision of an official residence, shall similarly be shown.
- (6) Estimates for personal emoluments are required to be prepared on the basis that no virement shall be permitted either into or out of the subchapter.

43. Other recurrent expenditure

- (1) Other sub-chapters of recurrent expenditure shall have to include all services other than personal emoluments which can be properly apportioned to the particular item and shall be included in a division of the estimates called "Other Charges"
- (2) The estimates for Other Charges shall be divided into five sub-chapters each comprising such items as follows:
 - (a) Goods and Services: This will include the procurement of all items of consumable expenditure made towards the current operations of government. It includes the current cost of goods and services rendered by suppliers and contractors and non-durable goods bought for the production of government services within a period of less than twelve months. This

subchapter will include items such as communications, educational material, hospitality, medical supplies, military equipment, office supplies rental expenses, training expenses, travel and subsistence, utilities and other goods and services not elsewhere classified.

- (b) Maintenance which includes—
 - (i) all payments made for regular and routine maintenance of government's physical and non-financial capital assets, military manoeuvres, the operating and maintenance cost of running government plant and equipment and the procurement of materials and supplies used to repair and maintain such assets;
 - (ii) items such as physical infrastructure (roads, bridges, etc), technical and specialised equipment, mobile, vehicle, and self-propelled equipment, fixed plant and stationary equipment, motor, marine, and aviation fuel, payments for small tools, spare parts, parts replaced on a regular basis; and
 - (iii) equipment of small value, even if the articles have a life of more than one year.
- (c) Current Transfers and Subsidies which includes—
 - (i) all government's direct transactions with another sector of the economy and other intergovernmental transactions, made for current expenditure purposes and where government receives no direct benefit in return nor does the transaction generate a corresponding obligation;
 - (ii) annual subsidies to state enterprises; private corporations, individuals and non-profit organisations; block grants, all purpose grants to other levels of government and subscriptions to international organisations.
- (d) Interest Payments which includes interest payments on the stock of government debt and is an annual charge the Government has a statutory obligation to pay and is divided into two sub-chapters to cater for—
 - (i) domestic interest payments;
 - (ii) foreign interest payments.

Each subchapter is further divided into short and long-term debt interest payments.

- (3) Estimates under this regulation are required to be prepared on the basis that virement between sub-chapters under paragraph (d) shall not be permitted and that virement within these sub-chapters may be subject to restriction provided under these Regulations.
- (4) Where an annually recurrent Vote provides for maintenance or up keep from which purchases are to be made for vehicles, technical instruments and equipments the amount entered shall not include replacement or a major rehabilitation undertaking of existing equipment or facilities as such maintenance are classified as capital expenditures.
- (5) Items which are common to all or most departments shall have a standard nomenclature prescribed by the Permanent Secretary and shall each have the same item number within the respective Heads.
- (6) Care must be taken not to include under such an item, expenditure which can appropriately be placed under any other item and if necessary authority should be sought for new items to be opened for such expenditure.

44. Capital Expenditure

- (1) Capital Expenditure includes the procurement of all non-financial capital assets that are to be used by the Government for productive purposes and which are expected to have a life expectancy of more than one year; to cost more than a minimal amount of money and to be used for non-military purposes. The military exceptions are factories, barracks and dwellings for members of the armed services.

- (2) For purposes of economic analysis and administration, capital expenditures shall be separated into four sub-headings each comprising several items as follows—
- (a) Fixed Capital Assets which include—
 - (i) the procurement of all items of a capital nature made towards increasing government's productive capacity through the purchase of breeding stock and seeds, outright purchase of buildings, scientific instruments, household and institutional furniture and equipment, vehicles, plant machinery and equipment, feasibility studies, rehabilitation, renovation; and
 - (ii) replacement of equipment, civil construction and improvements, and turnkey projects.
 - (b) Strategic Reserves which includes the outright purchase, replacement and damage compensations of all emergency stock of reserves, held by government for purposes of offsetting famine and other strategic supply shortages that may occur from time-to-time but does not include ordinary stores or inventory awaiting use by government.
 - (c) Land and Intangible Assets which include—
 - (i) the outright purchase of land and subsoil deposits and compensations for damage to, or improvements to same; and
 - (ii) the acquisition of intangible assets, such as rights of access, patents, copyrights, trademarks, and other rights.
 - (d) Capital Transfer which include—
 - (i) all transfers of a capital nature that will permit the recipients to acquire capital assets, compensation for damage or destruction of capital assets, or to increase the financial capitalisation of their assets;
 - (ii) government transfers for the repayment of principal of the debts of others, provided the government has not already assumed liability.
- (3) Capital transfer referred to under paragraph (d) of subregulation (2) of this regulation shall not be intended to neither generate an obligation or off-set a liability for the governments or the recipients.

45. Control of capital works and projects

- (1) The National Assembly shall be responsible to exercise control over both the total cost of the Work or Project and the issues of funds for the Work or Project during the financial year.
- (2) Any person who prepares estimates of expenditure for any work or project shall submit to the Minister the estimates which are sufficiently detailed to enable him to approve them.
- (3) The estimates prepared under subregulation (2) shall be required to indicate—
 - (a) the anticipated expenditure for the immediately forthcoming year;
 - (b) the original estimate for the whole work, the revised estimate (if any) for the whole work;
 - (c) the total amount actually expended so far as the accounts are complete; and
 - (d) the total amount likely to have been expended on such work up to the beginning of the year of the estimate.
- (4) The amount approved by the Minister for expenditure in a particular financial year and the Total Estimated Cost of the Capital Work or Project shall be included in the estimates submitted to the National Assembly and the funds required for the service of the financial year shall be included

in the Appropriation Bill under the Capital and Project subdivision for approval by the National Assembly.

Part VIII – Authorities for expenditure (regs 46-52)

46. The general warrant

- (1) Every expenditure of public moneys shall be appropriated by an Appropriation Act enacted by the National Assembly.
- (2) The National Assembly shall after having approved the estimates enact the Appropriation Act which shall vest authority in the Minister to spend the total sum shown in the approved estimates and to appropriate it in accordance with the votes of expenditure detailed in that Act.
- (3) The Accounting Officer shall, for all expenditure to be incurred by him identify the appropriate authority before committing the Government to any expenditure.
- (4) No Accounting Officer shall take any action which in any way anticipates the approval of the National Assembly for expenditure.
- (5) Notwithstanding that the amounts for expenditure may have been submitted to the National Assembly or the Minister for approval, the Accounting Officer shall not take any action other than in accordance with the provisions of the Public Finance Act, which incurs the commitment on public funds.
- (6) The Accounting Officer may, where the requirements set out in subregulations (4) and (5) are complied with, not incur any commitment or expenditure nor the Accountant-General make any payment or accept any charge in his accounts unless and until he is authorised by the Minister so to do.
- (7) The authority to make any payment or accept charges shall be conveyed to the Accountant-General by or General Warrant issued and signed by the Paymaster General, and any commitment or expenditure so incurred or any payment made or charge accepted shall be subject to disallowance as a charge on public funds.
- (8) Upon receipt of the General Warrant the Accountant-General shall issue an Accounting Warrant under his signature to Accounting Officers authorising them to incur expenditure for the purposes and up to the amount specified therein and the amount authorised by such Warrant shall not exceed the amount specified in the General Warrant or, where the expenditure has been reserved by the Minister in accordance with these Regulation the amount of any Requisition to Incur Expenditure.

47. Requisition to incur expenditure

- (1) The General Warrant issued under these Regulations shall cover services for which provision has been made in the estimates but over which the Government does not wish to reserve special control.
- (2) Where special control is reserved the provision for the services concerned shall be excluded from the General Warrant and will be listed in a schedule attached thereto and the expenditure on those services may only be incurred when the relevant funds have been released by means of a Requisition to Incur Expenditure.

48. Departmental control

An Accounting Officer shall be required to control the expenditure in respect of any service under his control to ensure that the provision for the service authorised by an Accounting Warrant is not exceeded, and he may be held personally and pecuniarily responsible for any excess expenditure which is incurred without proper authority.

49. Supplementary provision

- (1) Where any further disbursements is required in respect of a service which could not have been foreseen, or cannot be postponed without detriment to the public service, or cannot appropriately be charged to an existing item of the Estimates, or which would cause an excess thereon, prior approval to seek authority for such expenditure shall be sought.
- (2) If the expenditure cannot be met by virement from items with savings, provision for a Supplementary Estimate shall be sought.
- (3) Where a Supplementary provision is required as an addition to the original estimates, an Application for Supplementary Funds shall be addressed to the Permanent Secretary by the Accounting Officer concerned and such application shall contain all the information necessary to enable a decision on the application to be reached without further reference to the Department or office concerned and it shall include—
 - (a) in the case of supplements to existing personal emoluments and other charges items—
 - (i) the Vote, sub-head and item which it is desired to supplement, the original sum voted thereon and any supplements which may have since been added;
 - (ii) the actual expenditure and the outstanding liabilities against the item on the date when the application is made;
 - (iii) the amount of the supplement required and the reasons why the supplement is necessary and why it has not been possible to keep within the voted provision;
 - (iv) the basis on which the supplement is calculated; and
 - (v) whether savings are available in other sub-heads or items within the Vote and, if so, of what amount;
 - (b) in the case of supplements to create new items under the Personal Emoluments and Other Charges Divisions of Estimates—
 - (i) the reason why the supplement is necessary;
 - (ii) the basis on which the supplement is calculated;
 - (iii) the reasons why the need for the service was not foreseen when the Estimates were drafted and why it cannot be postponed and included in the next year's Estimates; and
 - (iv) whether savings are available in other sub-heads or items within the Vote and, if so, of what amount.

50. Supplementary appropriation act

- (1) Applications for supplementary provision shall be reviewed by the Permanent Secretary and submitted to the Minister for consideration.
- (2) If after examination and where necessary consultation with the Accounting Officer being made with regards to the need for supplementary provision is agreed, the amounts of such provision shall be included by the Minister in a Supplementary Appropriation Bill for appropriation.
- (3) Notwithstanding the amount supplementary provisions may have been submitted to the National Assembly for approval, the Accounting Officer shall not take any action which may incur a commitment on public funds.
- (4) The Accounting Officers may, where the requirements set out under this regulation are complied with not to incur any commitment or expenditure nor may the Accountant-General make any payment or accept any charge in his accounts unless and until he or she is authorised by the Minister so to do.

- (5) The authority to make payments and accept charges shall be conveyed to the Accountant-General by a Supplementary Appropriation Warrant signed by the Paymaster General and any commitment or expenditure so incurred or any payment made or charge accepted shall be subject to disallowance as a charge on public funds.
- (6) On receipt of the Supplementary Appropriation Warrant the Accountant-General shall issue an Accountant Warrant under his signature to the Accounting Officer authorising him to incur expenditure for the purposes and up to the amount specified therein and the amount authorised by such Warrant shall not exceed the amount specified in the Supplementary Appropriation Warrant.

51. Virement warrant

- (1) The Minister shall have power to vary the amount allocated to each sub-head and item of a Vote provided that he does not exceed the total amount authorised by the National Assembly for that Vote in an Appropriation Act.
- (2) The Minister may delegate his powers under subregulation (1), to the Permanent Secretary or an Accounting Officer either generally or specifically in respect of the items concerned and the amounts involved.
- (3) All virements shall be subject to an Application for Virement which shall be addressed to the Permanent Secretary and copied to the Accountant-General and the Controller and Auditor-General, and the application shall indicate the amounts involved and shall identify the items where extra provision is required and identifying where appropriate any delegated authority for the virement.
- (4) Appropriate explanations shall be given of the reasons for the shortfall in the original provision and the items with the anticipated savings shall be clearly identified and appropriate explanations given to show reasons for the savings being available.
- (5) In order to ensure that the savings identified are genuine, items from which funds have been transferred shall no longer be eligible for the provision of additional funds by Supplementary Appropriation.
- (6) In the absence of a delegated authority for the virement, applications for virement shall be submitted by the Permanent Secretary for consideration by the Minister and no such application shall be approved by the Permanent Secretary without the specific authority of the Minister.
- (7) On approval of the application by the Minister a Virement Warrant shall be issued under this signature to the Accounting Officer and copied to the Accountant-General and on receipt of the copy of the Virement Warrant the Accountant-General shall, where necessary, issue an amended Accounting Warrant to the Accounting Officer reducing the amount authorised on the item which has had its available funds reduced.
- (8) Expenditure on the item which has had its available funds increased by the Warrant shall at all times remain within the limits of any Accounting Warrant currently in force.

52. Excess and unauthorised expenditure

- (1) The National Assembly shall be responsible through its committee designated by the National Assembly to perform such duties to investigate the reasons behind any failure of an Accounting Officer to comply with these Regulations.
- (2) It shall be the duty of each Accounting Officer to attend personally when required to do so and to give full and frank answers to any questions put to him by the Public Accounts Committee.
- (3) Any Accounting Officer who fails to attend without a reason acceptable to the Public Accounts Committee shall be treated to have committed a serious disciplinary offence and any Accounting Officer found in breach of this regulation shall after the Public Service Commission's inquiry be suspended from duty with immediate effect and the matter reported to the President.

- (4) After the close of each financial year the Accountant-General shall as soon as possible cause to be prepared Schedules showing the excess expenditure incurred on each item of the Estimates during that financial year and such Schedules shall be laid before the National Assembly at its next meeting and shall stand referred to the Public Accounts Committee.
- (5) The report of the Public Accounts Committee shall contain recommendations which may fall into one of three categories, namely—
 - (a) that the expenditure may stand as a charge on public funds;
 - (b) that the Committee requires a further explanation before reaching a conclusion;
 - (c) that the amount concerned should be written off.
- (6) The Committee may also make recommendations for disciplinary action, including recovery action under section [10](#) of the Act, to be taken against a public officer.
- (7) The Permanent Secretary shall be responsible for following up and implementing all recommendations of the Public Accounts Committee and for keeping the Committee informed of all progress made.
- (8) After the approval of the report by the National Assembly, the Permanent Secretary shall submit to the Minister the amounts involved in paragraph [\(a\)](#) of subregulation [\(5\)](#) for approval for their inclusion in a Supplementary Estimate to be laid before the National Assembly.
- (9) The Permanent Secretary shall refer the recommendations prescribed under paragraph [\(b\)](#) of subregulation [\(5\)](#) to the appropriate Accounting Officer for action and those in paragraph [\(c\)](#) of subregulation [\(5\)](#) shall be dealt with under the appropriate write off procedure.
- (10) Where disciplinary or recovery action is recommended by the Public Accounts committee, the Permanent Secretary shall refer it to the Public Service Commission for its consideration or in his capacity shall initiate the recovery action.

Part IX – The basis of accounting and the preparation of the annual accounts (regs 53-56)

53. Basis of accounts

- (1) The Government accounts shall be kept on a cash basis in order that the amount of cash spent on a particular service be compared with the amount authorised by the National Assembly.
- (2) For purposes of subregulation [\(1\)](#) all actual receipts and payments made during the financial year shall be recorded in the Appropriation accounts.
- (3) Any act of recording of a liability before it is paid shall be in conflict with the principles of prior approval of expenditure by the National Assembly set out in these Regulations regarding commitment by Accounting Officers prior to the issue of the appropriate authority.
- (4) No Accounting Officer shall make any entry in the accounts of the Government which anticipates the receipts of revenue or payment of expenditure by Government.
- (5) Where it is discovered that an Accounting Officer has taken action which anticipates the approval of expenditure by the National Assembly and thereby causes any payment to be made as a result of such action, such payment shall be treated as unauthorised expenditure, and a new item entitled "Unauthorised Expenditure" shall be opened for the Vote in which the amount involved shall be debited to that account and will be included in statement of Items in Excess to be laid before the National Assembly.

54. Suspense accounts

- (1) In the course of transactions, where there is any difficulty in allocating receipts or payments to the correct sub-head or item, the Accountant-General may open suspense account under-the-line into which the amount may be temporarily posted.
- (2) The suspense accounts opened in respect of payments shall be brought to a nil balance before the accounts for the financial year are closed.
- (3) Where suspense accounts are opened in respect of receipts, such accounts may be carried forward to the following year if the Accountant-General has reason to believe that third party may be involved and those accounts shall be converted to deposit accounts under an appropriate title before the accounts for the year are closed.
- (4) No Accounting Officer or any officer shall cause to transfer expenditure from one financial year to another, and any such transferred expenditure shall be treated as unauthorised expenditure.
- (5) The closure of the Appropriation Accounts shall not be delayed for the clearance of suspense accounts. Such accounts are intended for use during the financial year and their use must not result in a delay in reporting unauthorised expenditure to the National Assembly.
- (6) If the appropriate authority or the legislature cannot be identified by the time of the closure of the accounts then such payments shall be treated as unauthorised expenditure and shall be dealt with accordingly.
- (7) In the event that an appropriate vote of expenditure cannot be identified such expenditure shall be included by the Permanent Secretary, in an item for which he is responsible as unauthorised expenditure and it shall be reported to the National Assembly.

55. Appropriation accounts

- (1) Pursuant to section 25 of the Act, the Accountant-General shall submit to the Controller and Auditor-General, within six months of the end of the financial year, statements showing the financial position of the Government at the last day of the financial year.
- (2) The approved Estimates shall form the basis of the accounts for the year to which they relate and the classification and subdivision of the statements of revenue and expenditure shall be required to accord with those estimates.
- (3) The statements to be produced to the National Assembly may contain details other than those required under section 25 of the Act to ensure that the financial position of the Government is fully disclosed, and in order to achieve this objective, the Accountant-General shall produce such other statements or provide such additional information as he considers it necessary.
- (4) The statements made under this regulation shall include—
 - (a) Accounts to be prepared by the Accountant-General which shall include—
 - (i) a balance sheet showing the consolidated assets and liabilities of all public funds and other entities wholly funded through the Consolidated Fund;
 - (ii) a consolidated statement of the source and application of funds for all public funds and other entities wholly funded through the Consolidated Fund showing the revenues, expenditures and financing for the year;
 - (iii) a balance sheet showing the assets and liabilities of the Consolidated Fund;
 - (iv) a statement of the source and application of funds for the Consolidated Funds showing the revenues, expenditures and financing of the Fund for year;

- (v) a summary statement of revenue and expenditure, being a summary of all the statements signed by Accounting Officers under paragraph (b)(i) and (iii) of this Regulation;
 - (vi) a statement of the amounts outstanding at the end of the year in respect of the Public Debt;
 - (vii) a statement of the amounts guaranteed by the Government at the end of the financial year in respect of bank overdrafts, loans, public loan issues and other contingent liabilities;
 - (viii) a statement of the amount outstanding at the end of the year in respect of loans issued by the Government;
 - (ix) a statement of investments held by Government at the end of the year showing the original cost and current value;
 - (x) a statement of Losses of Public Moneys and Stores written off and Claims abandoned during the year and the authority for such write off or abandonment;
 - (xi) a statement of Losses of Public Moneys and Stores reported during the year whether written off or not;
 - (xii) a summary statement of Arrears of Revenue for each Revenue Head being a summary of the Statements of Arrears of Revenue signed by Accounting Officers under paragraph (b)(iv) of this regulation;
 - (xiii) a summary statement of commitments outstanding for the supply of goods and services for each Vote at the end of the financial year being a summary of the amount included for such commitments in the statement signed by Accounting Officers under paragraph (b)(ii) of this regulation;
 - (xiv) a summary statement of stores and other assets for each Vote being a summary of the Statement of Assets signed by Accounting Officers under paragraph (b)(v) of this regulation;
 - (xv) such other statements and in such form as the National Assembly may from time to time require.
- (b) Accounts to be prepared by Accounting Officers shall contain—
- (i) an Appropriation Account signed by the Accounting Officer showing the services for which the moneys expended were voted, the sums actually expended on each service, and the state of each vote compared with the amount appropriated for that vote by the National Assembly;
 - (ii) a statement signed by the Accounting Officer and in such Form as the Accountant-General may direct containing the amount of commitments outstanding for the supply of goods and services at the end of the financial year and such other information as the Minister may require;
 - (iii) a statement of Revenues Received signed by the Accounting Officer and in such form as the Accountant-General may direct showing the amount contained in the Estimates of Revenue for each source of revenue and the amount actually collected and such statement shall contain an explanation for any variation between the revenues actually collected and the amount estimated;
 - (iv) a statement of Arrears of Revenue signed by the Accounting Officer showing the amount outstanding at the end of the financial year for each source of revenue such other information in such form as the Accountant-General may direct; a nil return shall be submitted if appropriate;

- (v) a statement of assets signed by the Accounting Officer containing details and values of all unallocated stores under his control at the end of the financial year together with the details and values of such other classes of assets under the control of the Accounting Officer as the Accountant-General may from time to time determine;
 - (vi) any other statements and in such form as the Accountant-General may from time to time require.
- (5) All accounts under this regulation shall where appropriate—
- (a) be prepared in accordance with Generally Accepted Accounting Practice and any instructions issued by the Accountant-General;
 - (b) identify any significant departures from Generally Accepted Accounting Practice as recognised by the accounting profession in Tanzania for use in the Government and that specified by the Accountant-General for use in the preparation of the accounts and the reasons for such departure; and
 - (c) state the basis of accounting and the accounting policies used in their preparation and identifying and significant departures therefrom and the reason for such departure.

56. Commercial Government activities

- (1) Cash based systems of accounting shall be used for the control of essentially cash based operations such as the payments for the normal activities of Ministries and Departments but it can not be appropriate in activities of a commercial nature.
- (2) Notwithstanding subregulation (1) all services offered by commercial activity shall in addition to having proper authorisation of expenditure, be required to be property costed to avoid hidden subsidies.
- (3) In order to achieve proper costing all costs including those such as depreciation that are of a non-cash nature shall have to be taken into account.
- (4) Commercial Government activities shall be managed in such a manner that promotes commercial lines, and in order to achieve such objective appropriate accounting systems shall be employed.
- (5) In order to achieve the objective set out in subregulations (1), (2), (3) and (4), commercial government activities shall not be subject to the prior authorisation requirements of the Consolidated Fund, but shall be established as Special Funds under the provisions of the Act, of which separate accounting instructions issued for each Fund by the Accountant-General shall apply.
- (6) Any established special Fund shall require the following initial action, namely—
 - (a) the purposes for which the fund is being established to be defined by the Accounting Officer under which the facilities to be used by the Special Fund currently fall and are agreed by the Minister;
 - (b) the definition which include details and values of all fixed and current assets and all liabilities to be transferred to the Special Fund from the Consolidated Fund, and such assets and liabilities will form the initial capital of the Special Fund and will be recorded on its balance sheet as assets with a corresponding liability to the Consolidated Fund being entered in the books of account. These assets and any others accruing to the Special Fund after its establishment will be returned to Consolidated Fund ownership on the winding up, for whatever reason, of the Special Fund.
- (8) Whereas each Fund may have its own peculiarities requiring individual procedures to be included, the order setting up such a Fund shall have to contain provisions covering the following:
 - (a) no expenditure shall be incurred by the Fund except under the authority of a warrant under the hand of the Permanent Secretary;

- (b) day-to-day management of the activities falling under the Fund shall be the responsibility of the Accounting Officer identified in subregulation (7)(a);
- (c) proper books of account shall be kept by the Accounting Officer for the Fund and in this respect the Accounting Officer shall comply with all instructions issued by the Accountant-General;
- (d) the year end for all Funds shall coincide with that of Government; the Accounting Officer shall, within six months of the year end forward to the Permanent Secretary and Controller and Auditor-General statements of account in such form as the Accountant-General may from time to time determine;
- (e) the Accounting Officer shall forward to the Minister before the end of the financial year and in accordance with a timetable set by the Permanent Secretary, estimates of income and expenditure of the Fund for the following financial year;
- (f) the estimates referred to in paragraph (e) shall, if approved by the Minister, be laid before the National Assembly; no warrant shall be issued by the Permanent Secretary for any issues from the Fund until such estimates have been tabled; exceptionally in the cases envisaged by section 21 of the Act for issues of sums from the Consolidated Fund, the same remedy contained therein shall apply to the Fund;
- (g) regardless of the power of the Minister under section 12 of the Act to wind up the Fund at any time, the fund shall cease operations when the balance of the Fund is exhausted.

[please note: numbering as in original.]

Part X – Receipts (regs 57-83)

57. Responsibilities for revenue collection

- (1) Accounting Officers shall be personally responsible for ensuring that adequate safeguards are in place and are applied for the prompt collection of and proper accounting for all Government revenue and other public moneys relating to their departments or offices.
- (2) It shall be the duty of the Accounting Officers to ensure that all persons liable to pay revenue are informed by bills, demand notes or other appropriate notices of debts which are due, that they are reminded promptly and frequently of revenue which is in arrears and that adequate measures are taken to obtain payment, including action through the Courts where circumstances so require.

58. Difficulty in collection to be reported

An Accounting Officer who experiences difficulty in collecting moneys due to the Government shall report the circumstances to the Accountant-General without delay, copying such reports to the Controller and Auditor-General.

59. Failure to account to be reported

The Accountant-General shall report to the Permanent Secretary any failure on the part of an Accounting Officer to receive and to account for any sums receivable by him and any case in which he considers after due enquiry that the revenue is falling unduly into arrears shall also be reported.

60. Collectors of revenue

All regular collectors of revenue who receive any duties, taxes, fees, rents or other public moneys, whether of a revenue nature or otherwise, shall pay the whole amount of such moneys daily or at the earliest opportunity, either into a bank authorised by the Accountant-General or into the Treasury, a Sub-Treasury or other public office designated by the Accountant-General, obtaining a receipt for the moneys so paid in.

61. Limitations on officers who may collect

- (1) No public officer shall collect public moneys unless he is specifically authorised to do so.
- (2) If in exceptional circumstances a public officer comes into receipt of public moneys he shall without delay pay such money to a regular collector of revenue within his department or into the Treasury or Sub-Treasury or other public office designated by the Accountant-General, obtaining a receipt for the amount so paid in.
- (3) Except with the specific authority of the Accountant-General, no officer whose duty involves the posting of assessment registers, rent rolls and similar documents shall be authorised to collect public moneys or to post collections into a cash book.

62. Revenue to be accounted for gross

- (1) In all cases the gross amount of moneys received shall be paid into or accounted for the Treasury or Sub-Treasury.
- (2) Any charges against the revenue received shall required appropriate authority as expenditure of government and shall appear as a charge on public funds in the books of account duly supported by the proper vouchers.
- (3) Between the time of receipt and the time of payment of revenue the bank, Treasury or a Sub-Treasury or other public office designated by the Accountant-General, no expenditure shall be made of it by any public officer.
- (4) No person shall lend or borrow or cause to lend or borrowed any money collected under this regulation in any manner or purpose whatsoever.
- (5) No cash received under this regulation shall be used to cash any cheque, other than a Government cheque for a public officer or any other person, nor may any officer convert public moneys received in local currency into foreign currency or *vice versa*.

63. Crediting revenue to year of account

- (1) No outstanding item of revenue shall be carried to a revenue item as a charge to an advance account pending the collection of the amount.
- (2) Revenue collected in any year shall not be placed on deposit or held in suspense with the object of transferring it to revenue in the following year.

64. Vouching of receipts

- (1) All receipt entries in the accounts shall be vouched for on the form or in the manner prescribed by Law, transferring it to revenue in the following year.
- (2) Except where it is otherwise provided for in accounting instructions issued by the Accounting General, or where receipts are not required (e.g. when tickets or stamps are sold), all receipts printed consecutive numbers for every sum paid to the Government.
- (3) No receipts shall be issued for payments by public officers which are effected by means of deduction on payment vouchers.

65. Responsibility for control of receipts

- (1) Accounting Officers shall be responsible for ensuring that a proper system exists for the safe custody, recording and proper use of all receipts, licences and other documents issued for the receipt of public moneys.

- (2) Each office in which receipts, licences or any other relevant documents are held shall keep a complete register in the prescribed form, accounting for all receipts, licences and other documents received and assured.
- (3) The officer in charge of the office shall ensure that details of the receipt documents are fully and correctly entered therein as soon as they are received, and that all issues of receipt documents are acknowledged by the officer to whom the issue is made.

66. Receipt books to be checked

- (1) On receipt from the Treasury or from the printer and before being entered in the register all receipt documents shall be checked by the officer in charge to ensure that they are correct and consecutively numbered, and he shall insert and sign on the inside front cover of each book a certificate in the following form—

"Examined by me this day and found to contain _____ forms correctly numbered.

Date

Signature"

- (2) Any book found defective must be immediately returned to the Treasury or Sub-Treasury or to the printer with a report of the defect.
- (3) Where there is a change of an officers-in-charge, the stock of all receipt documents shall be checked against the register by both the officer handing over and the officer taking over, and a statement on hand, signed by both officers shall be sent to the Accountant-General, with a copy to the Controller and Auditor-General.

67. Safe custody of receipt books

- (1) The officer in charge of the office must keep all unused receipt documents under lock and key, keeping the key personally and issuing only such documents as are required for immediate use.
- (2) All receipt documents actually in use shall be locked up at the close of each day by the officer in charge of them.
- (3) Officers making outdoor collections shall return to their offices all receipt documents before the close of business so their receipts and collections can be lodged in safe custody, no officer shall keep such receipt documents on private premises overnight.
- (4) Where the needs of particular departments so require (as in the case of Customs) exceptions to the general rule may be made by the Accounting Officer concerned with the concurrence of the Accountant-General.

68. Preparation of receipts

- (1) Where receipts, licences, or any other relevant document are issued from counterfoil books the officer signing the original of the receipt, licence, or any other relevant document shall initial the counterfoil and ensure that it contains all the necessary detail including the amount received, the particulars of the payment and the date and that it accords with the original and if such documents and other copies to be reproduced by carbon paper, the officer issuing those documents shall ensure that the carbon copies are clear and legible in every respect.

- (2) The original and counterfoil or copy of every licence or similar document, which is not in itself also a receipt in evidence of payment of the fee prescribed, shall on issue be endorsed with the number and date of the receipt issued in respect of the payment of the fee and with the amount of the fee, and that receipt shall similarly be entered with the details of the licence, or any other relevant document in respect of which it is issued.

69. No alterations to be made

- (1) No alterations shall be made to any receipt, licence, or other similar document and if an error is made in completing the document or if the document is otherwise spoiled, the original and the counterfoil or copies shall be clearly marked as cancelled and initialled by the officer empowered to issue the document.
- (2) Where an error is made in the document referred to in subregulation (1) the original, counterfoil or copies shall not be destroyed, but they must be retained intact and produced for inspection when required.

70. Receipts to be issued immediately

- (1) A receipt in the proper form shall be issued immediately for any public moneys received.
- (2) When the payer presents himself in person the receipt shall be handed to him at once.
- (3) Where moneys are received by post, the receipt shall be sent on the same day to the payee.

71. Inward remittance by mail

- (1) Incoming letters shall be opened by a senior officer in the presence of a witness notwithstanding that officer does not have any direct responsibility for the collection of revenue.
- (2) The officer opening the mail must maintain a register in which he shall record full details of any cheques, cash or valuable documents received, including the date, name of the sender, registered package number, and amount or description of the articles.
- (3) In the case of uncrossed cheques such cheques shall be immediately crossed by the senior officer present.
- (4) Items received in the mail shall be handed to the relevant officers responsible for dealing with them who, if the items have been recorded in the register, shall sign the register in acknowledgement of their receipt.

72. Notice of entitlement to receipts

- (1) In every Government office or other premises where public moneys are collected, notice shall be placed in prominent conspicuous positions where they can be seen and read by members of the public, showing that all persons paying moneys to a public officer are entitled to receive a receipt in the proper form for all payments made by them.
- (2) The notices made under subregulation (1) shall require the public to examine the receipts they receive to ensure that they are correct, especially in regard to the amount paid, and to report immediately to a more senior officer any case in which the officer receiving the moneys refuses or otherwise fails to issue a receipt.

73. Foreign moneys not to be accepted

Except with the prior approval of the Accountant-General, no currency notes or coins and no foreign stamps or cheques drawn in foreign currency shall be accepted in payment of any moneys due to government, and no payment of moneys due to the Government shall be made by credit card or promissory notes.

74. Acceptance of cheques

- (1) Subject to these regulations, a cheque may be accepted in payment of moneys due to the Government provided the officer receiving the money has no reasonable grounds for believing that the cheque may not be honoured.
- (2) All cheques received under these Regulations shall be made payable to the "Government of Tanzania" and crossed "Account Payee only", and any cheques not so crossed on receipt shall be crossed by the receiver on receipt.
- (3) A postdated cheque shall not be accepted.
- (4) An Officer accepting a cheque in payment of moneys due to Government shall have to ensure that—
 - (a) the cheque is correctly dated, in that it is neither time expired nor post dated;
 - (b) the amount in words and figures agree;
 - (c) the cheque is signed; and
 - (d) all alterations to any details of the cheque are validated by the full signature of the drawer.
- (5) Any cheque which violates any of these conditions must not be accepted.
- (6) Where payment is made by cheque the cheque number shall have to be written on all copies of the relevant document of receipt and the serial number of that document recorded on the back of the cheque.

75. Dishonoured cheques

- (1) If a cheque received by the Government is dishonoured by the bank by reason that neither the revenue has been collected nor the amount of the debt settled, the accounting action shall reflect that fact while avoiding creating fictitious assets consisting of the amount of such dishonoured cheques.
- (2) Where the dishonoured cheque cannot be immediately corrected and represented, the following courses of action shall be taken, namely—
 - (a) if the cheque has been received in payment of a licence or similar pre-paid item (such as a motor vehicle licence) the appropriate revenue item will be debited by the entry of a debit item in the revenue cash book and the relevant Accounting Officer or authority shall be informed in order that appropriate action, such as revocation of the licence, can be taken;
 - (b) if the cheque has been received in settlement of a debt owed to Government such as the settlement of an imprest the appropriate advance account shall be debited by the entry of a debit item in the revenue cash book (thus restoring the debt) and the appropriate Accounting Officer shall be informed so that appropriate action can be taken;
 - (c) if the cheque has been received as a condition for services to be performed by Government such as the clearance of goods for custom purposes the amount involved shall be debited, by the entry of a debit entry in the revenue cash book, to an advance account in the name of the person concerned; all necessary steps will be taken to obtain the revenue due, including where appropriate legal action in respect of the dishonoured cheque;
 - (d) all outstanding balances on the advance accounts created under paragraph (c) shall be closed at the end of the financial year by crediting the advance account and debiting the revenue item; these amounts will then be included on the Register of Losses and dealt with accordingly; under no circumstances will a dishonoured cheque be held as a part of a cash balance;
 - (e) the name of the drawer and the amount of a dishonoured cheque shall be included in a Schedule to be maintained by the Accountant-General; when the revenue is collected

from the debtor the entry shall be removed and the list shall be circulated regularly to all collectors of revenue and no cheque will be accepted for payment of amounts due to Government by such collector from any person whose name appears on that Schedule.

- (3) All instances of dishonoured cheques shall be brought to the immediate attention of the Accountant-General.
- (4) All original dishonoured cheques shall be retained and kept in safe evidence and such cheques may represent important *prima facie* evidence of a debt due to government and may be used in any legal action taken to recover the amount due.

76. Posting of receipt

Each receipt shall be posted into the cash book at the time of the actual transaction or as soon as possible thereafter.

77. Surplus collection

- (1) Any surplus which may be found when balancing the cash book with the collections shall be investigated forthwith.
- (2) If no explanations of the surplus is discovered which would enable the matter to be corrected immediately, the cash shall have to be credited to "Miscellaneous Receipts, Surplus Cash" and reported to the Accountant-General.
- (3) All officers responsible for revenue collections shall ensure that the records are kept in such form as the Accountant-General may prescribe and that they show the persons from whom revenue is due, the amount payable and the date, receipt number and amount of the collections made.
- (4) The records under subregulation (3) shall not only serve to show the revenue payable and collected, but the current state of the revenue collections and of any arrears of revenue, and such records shall whenever possible be self-balancing and be reconciled with the cash collections monthly.
- (5) The officer who posts assessment registers, rent rolls, ledgers and similar documents shall inform the officer in charge of the collection office whenever the amount collected differs from the amount due, any such difference being immediately investigated and action taken as may be appropriate to the circumstances of the case.

78. Payment of receipts into a bank or treasury

- (1) All collections of revenue or other public moneys shall be paid into a bank or into the Treasury or Sub-Treasury daily, or if this is not possible, at the earliest possible opportunity.
- (2) When paying collections into a bank, the full particulars of the amount, and serial number of the cheque and the name of the bank shall be recorded and retained with the departmental copy of the bank lodgement slip.
- (3) When paying collections into the Treasury or Sub-Treasury the officer doing so shall present to the Accountant-General or Sub-Treasurer—
 - (a) the total sum collected or where the collections have been paid into a bank, the bank lodgement slip;
 - (b) the completed Revenue Collectors Cash Book; and
 - (c) if so required by the Accountant-General the relevant receipt books.
- (4) The Treasury Officer receiving the collections shall, where appropriate, verify that all receipts issued have been entered in the Revenue Collectors Cash Book and that the totals in the vouchers are correct and correspond with the amount paid into the Treasury or Sub-Treasury or acknowledged in the bank lodgement slip.

- (5) If the Treasury Officer receiving the collections is satisfied with the accuracy of the records and documents he shall stamp and sign the Revenue Collectors Cash Book and where this has been presented to him the reverse of the copy of the last receipt issued and shall issue a Treasury receipt for the collections paid in.
- (6) Details of the Treasury receipt shall be posted into the department's cash book in support of the payment of the amount collected.

79. Checking of records

- (1) It shall be the responsibility of every Accounting Officer to ensure that his accounts are properly maintained and are correct at all times.
- (2) In exercising this control the Accounting Officer shall appoint an officer whose duty shall be to examine and check daily all entries in cash books and other books of account, with counterfoils or copies of receipts or original documents verifying the correctness of the transactions.
- (3) The officer so appointed under subregulation (2) shall be an officer who has taken no part in the work to be checked.
- (4) After they have been checked, the cash books, receipt books, shall be initialled and dated by the checking officer in such a manner that the period and items covered by the check may be clearly identified.
- (5) Every Accounting Officer shall arrange from time to time and at least every three months, a check to be carried out by a more senior officer on a surprise basis.
- (6) The check to be conducted under subregulations (5) shall verify that the cash in hand is correct, the cash books and ledgers have been posted up to date, effective controls and safeguards are applied and that arrears of revenue are not being allowed to accumulate.
- (7) The officer conducting a surprise check shall enter the results of his check in the Register of Surprise Inspections, signing and dating the entry.

80. Refunds of revenue and drawbacks

- (1) Refunds of revenue may be made in circumstances where there are collections or over-collections made in error or because, although properly collected in accordance with the Act or Regulation, provision exists under that Act or Regulation for the revenue to be reclaimed in given circumstances in the form of a rebate or drawback.
- (2) Refunds of revenue arising from erroneous collections or over-collections shall be issued from the Consolidated Fund under the authority of the appropriate legislation.
- (3) Where the collection, over-collection or drawback is made in the same financial year as that in which the revenue was originally collected it may be authorised by the appropriate Accounting Officer to be charged as a debit item in the appropriate revenue Head but refunds made in a subsequent financial year shall have the prior approval of the Accountant-General who shall debit them to an expenditure item entitled "Refunds of Revenue of Previous Years".
- (4) Refunds of revenue in accordance with specific provisions of an Act or Regulations shall be authorised by the Officers prescribed in the legislation concerned and shall be charged against the appropriate expenditure item.
- (5) In any other case where it appears that a refund may be proper or equitable, the full facts on the case shall be submitted by the Accounting Officer to the Minister, who shall determine the action to be taken.

81. Overpayments recovered

- (1) Where an overpayment charged to an expenditure item is recovered in the same financial year as that in which the expenditure occurred, it shall be treated as an expenditure credit to the same item.
- (2) Where a recovery is made in a subsequent year, such recovery shall be treated as revenue and credited to the revenue item "Recovery of Overpayments".
- (3) Recovery of an overpayment made from under-the-line account shall be credited to that account, irrespective of the financial year in which the original payment was made.

82. Vouchers to be cross referenced

In cases where revenue is refunded or overpayment is recovered the original receipts or vouchers on which the over collections or overpayments occurred shall be cross-referenced to the vouchers or receipts by which the adjustments are made and *vice versa*.

83. Arrears of revenue returns

- (1) Within 30 days of the close of the financial year each Accounting Officer shall submit to the Accountant-General in the prescribed form, with a copy to the Controller and Auditor-General, a return of all arrears of the revenue for which he is responsible.
- (2) The returns made and submitted under subregulation (1) shall show separately for each revenue Head, sub-head and item the arrears outstanding at the end of the current financial year.
- (3) The total shall be divided by financial year and will be supported by detailed lists of the accounts still outstanding and a NIL return shall be submitted when no revenue is outstanding.
- (4) The Accountant-General shall consolidate the individual returns into a statement showing all the revenue outstanding under each revenue item as at the close of the immediately completed financial year and such statement shall form part of the Government's annual statements of accounts.

Part XI – Payments (regs 84-114)

(a) – Control and Vouching of Payments (regs 84-95)

84. Method of payment

- (1) Except as otherwise provided in these Regulations, all payments of public moneys in Tanzania shall be made in accordance with the authority and procedures prescribed in the Act and these Regulations.
- (2) Wherever practicable all payments of public moneys to persons outside Tanzania will be made by direct payment to such persons by banker's draft or otherwise through the local banking system.
- (3) Where direct payment is thought to be inappropriate, payment shall be made on the authority of the Accountant-General through agents duly appointed for the purpose with the approval of the Permanent Secretary.

85. Charging to year of account

- (1) The date of payment of any amount governs the date of the record of the transaction in the accounts.

- (2) Payments may be made before they are due for the purpose of utilising an anticipated saving on an item nor may the unexpended portion of any item be drawn from the Treasury for the purpose of setting it in reserve to meet impending payments or to be carried to a deposit or other account.
- (3) The expenditure properly chargeable to the account of a given year must, as far as possible, be met within that year, and must not be deferred for the purpose of avoiding an excess on the amount provided in the estimates.

86. Payment vouchers

- (1) All disbursements of public money shall be properly vouched on the prescribed form of payment voucher which vouchers must be typewritten or made out in ink or ballpoint pen and must contain or have attached thereto full particulars of the service for which payment is made, such as dates, numbers, distances, rates so as to enable them to be checked without references to any other document.
- (2) In the case of articles purchased at contract rate or prices, the articles should be named in the same order as that in which they appear in the contract and rates and prices should be stated in the same terms as those in the contract.
- (3) Amounts paid shall be written in words as well as figures and copies of vouchers must be clearly marked as such to distinguish them from the originals.

87. Officer who signs shall certify accuracy

- (1) The officer who signs a voucher shall be responsible to certify the accuracy of every detail and shall be held personally responsible for ensuring that:
 - (a) the services specified have been duly and competently performed;
 - (b) that the prices charged are either according to contracts or approved scales or are fair and reasonable according to local rates;
 - (c) that authority has been obtained as quoted;
 - (d) that the calculations and castings have been verified and are arithmetically correct;
 - (e) that the classification of the expenditure is correct;
 - (f) that there are sufficient funds uncommitted in the relevant vote to meet the expenditure;
 - (g) that the persons named in the voucher are those entitled to receive payment; and
 - (h) that any supplies purchased have been taken on charge or issued for immediate use.
- (2) Except in the case of a duly authorised pro forma invoice for a payment on account, no more must be paid than the value of the work certified to have been performed and where a deduction is due from the amount payable in a contract in respect of any withholding moneys, penalties or fines, only the net sum shall be paid.

88. Accounting Officer responsible for all disbursements made

- (1) The Accounting Officer shall be responsible for all disbursements made from the votes under his or her control, but he may designate in writing and by name specific persons who shall have the authority to sign payment vouchers on his behalf, prescribing the financial limits and other conditions within which this authority may be exercised.
- (2) The Accountant-General and Controller and Auditor shall be advised of the names of the officers so designated and the financial limits within which they may exercise their authority and should be provided with specimen signatures of those officers.

- (3) The Accountant-General and Controller and Auditor-General shall equally be advised when the authority of an officer to sign payment vouchers is withdrawn.

89. Mode of signing payment vouchers

- (1) The signature of officers on payment vouchers and certificates shall be in ink or ballpoint pen and no stamped facsimile signatures shall be used.
- (2) Only the original payment voucher or certificate shall be signed, copies of the voucher being initialled only.
- (3) Each certificate on or attached to a payment voucher and each sheet of a voucher comprising more than one sheet, must be signed separately and signatures may not be written across one or more certificates.
- (4) The name and designation of the officer signing a voucher or certificate shall be typed or written legibly below the signature.

90. Accountability for unauthorised or irregular payments

In the event of an unauthorised or irregular payment being made in consequence of an incorrect certificate, the officer who leading to the error and if found to have been negligent he or she shall be held responsible and any loss thus occasioned may be recovered against him or her.

91. Vote Control Registers, consequences of unvouched payments and incorrect or incomplete vouchers

- (1) Each Accounting Officer shall keep a Vote Control Register in the prescribed form showing separately under each Head, sub-head and item of the estimates for which he is responsible—
 - (a) the amount voted, revised as necessary to account for authorised increases and for reductions by way of virement or reservation under FR 2.64;
 - (b) the total amount authorised by Accounting Warrant(s);
 - (c) the total expenditure to date (including acceptance of charges such as those in respect of Unallocated Stores Issue Vouchers, etc.);
 - (d) any commitments entered into (including any allocation made to other departments or offices by Warrant of Funds), indents for chargeable supplies, etc.; and
 - (e) the uncommitted balance available, i.e (b) - (c + d).
- (2) Liabilities including outstanding indents incurred but not paid for in a financial year must be entered in the Vote Control Register for the following financial year.
- (3) Except in the case of payments made from authorised imprests, all payments in Tanzania shall be made by the Accountant-General or an officer properly appointed in writing by him or her to do so and the Accounting Officers shall submit payment vouchers to the Treasury payment point designated by the Accountant-General.
- (4) Before making any payment against a voucher the Accountant-General or other officer authorised by him or her to make the disbursement will check that the voucher and any documents attached thereto are correct and complete in every particular and shall not result in an excess on the amount provided in the estimates.
- (5) Payment on any voucher which is incorrect or incomplete shall be refused and the voucher returned to the Accounting Officer for amendment.

- (6) Payment vouchers which are in order shall be certified by the Accountant-General or relevant authorised officer as "Passed for payment" and such payment must only be made against the original copy of a payment voucher.

92. Role of Accountant-General to ensure payment

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

93. Modes of making payments

- (1) Payments must be made only to the persons named in the vouchers or their accredited agent and whatever possible must be made by means of direct bank transfer or crossed cheques.
- (2) Where payments are made in cash signed receipts (duly stamped where necessary) must be taken at the time of payment.
- (3) Except where an amount is receivable by a public officer for official purposes or for his or her own account such as payment of subsistence allowance payment must not be made to a public officer.

94. Payments to be made on person to whom it is addressed

- (1) Where the recipient of a payment in cash is unable to write, he shall make his mark in acknowledgement of receipt, the act being witnessed by a public officer other than the paying officer and the witness shall certify on the payment voucher that the payments were made to the persons entitled to receive them.
- (2) Where the paying officer is in doubt as to the identity of any person drawing payment in cash, he shall require that person to produce proof of identity such as a driving licence or to have his identity attested by a third person who can be identified, who signs the voucher as witness to the payment.
- (3) When payments are made to persons other than those named in the vouchers, the authorities under which such payments are made such as powers of attorney or letters of administration shall, if possible, be attached to the vouchers themselves or shall be registered in the Treasury and notified on the payment vouchers.

95. Missing vouchers or supporting documents

- (1) For purposes of avoiding the danger of a duplicate payment being made on a voucher, as soon as a voucher has been paid the officer making the payment will stamp "Paid" across the face of the voucher and in the event of a duplicate or irregular payment being made because of a failure to comply with this instruction the paying officer responsible for the omission may be liable to be charged with the amount of any loss.
- (2) Where any voucher on which payment has been made is lost, mislaid or inadvertently destroyed the Accounting Officer shall inform the Accountant-General who shall report the full circumstances to the Permanent Secretary, with a copy to the Controller and Auditor-General.
- (3) If after due enquiry the Permanent Secretary is satisfied as to the circumstances of such loss, mislaying or destruction and that payment has been properly and correctly made, he or she may recommend the Minister to authorise the payment to stand charged in the accounts.
- (4) For the purpose of this regulation a payment voucher which is incomplete because of its supporting documents are missing, shall be regarded as a missing voucher.

(b) – Imprests (regs 96-103)**96. Authorisation of imprests**

- (1) The Accountant-General shall be authorised, as part of the Advances Warrant issued to him by the Ministers to issue imprests to public officers who require cash to be readily available to meet immediate payments for official purposes.
- (2) Such imprests fall into two main categories, standing imprests issued to Accounting Officers to meet such payments during the financial year and temporary imprests issued to public officers to meet travelling and hotel expenses necessarily incurred on official duty.

97. Issue of imprests

- (1) Imprests shall only be issued for a purpose for which expenditure has been included in the approved Estimates and lists of standing imprests required by Accounting Officers in the forthcoming financial year must be submitted to the Accountant-General at least 14 days before the start of the financial year.
- (2) Requests for temporary imprests must be made as the need arises and should be submitted to the Accountant-General at least 14 days before the money is required.
- (3) An imprest must be restricted to the minimum amount required for the purpose for which it is issued.

98. Imprests to be issued to the holder

- (1) All imprests of whatever nature shall be issued in the names of the officers who shall hold them and they will remain their personal responsibility until they are refunded or discharged by the submission of properly completed payment vouchers or handed over to another officer responsible. The holder of imprest Regulation shall not be relieved of any part of his or her responsibility by delegating the custody or operation of an imprest to another officer.
- (2) An imprest must not be charged in the accounts as final expenditure, but the actual payments out of such imprests being so charged and the full amount of the imprest issued must be entered in the cash book as a payment and will be allocated under-the-line under a separate account entitled "Imprests".

99. Custody of imprests

- (1) The officer holding an imprest shall decide whether it is necessary to hold the imprest in a bank account, taking into consideration the size of the imprest, the nature and frequency of the payments to be made from it and the security facilities available to him.
- (2) Where the holder of imprest wish to deposit a standing imprest in a bank account, authority for the opening of the account should be sought from the Accountant-General and the operation of the bank account subject to these Regulations.
- (3) Cash in respect of a standing imprest must be kept completely separate from any other cash for which the imprest holder is responsible.

100. Duty of imprest holder

- (1) It shall be the duty of an imprest holder:
 - (a) to ensure that an imprest issued to him is used wholly and exclusively for the purpose for which it was issued;

- (b) to account for the imprest in accordance with these Regulations and the terms under which it was issued;
 - (c) to ensure that the imprest moneys and any payment vouchers awaiting recoupment are adequately safeguarded at all times;
 - (d) to arrange for proper payment vouchers to be prepared in support of all expenditure from the imprest, showing the amounts chargeable to each Vote, sub-head and item or other accounts;
 - (e) to obtain proper receipts on all payment vouchers for disbursements from the imprest;
 - (f) to ensure that the full amount of the imprest can be fully accounted for at all times in cash, stamps, money at bank, and/or completed payment vouchers;
 - (g) to ensure in the case of a standing imprest that the imprest is recouped as and when necessary, but not less frequently than once each month;
 - (h) except as provided for under these Regulations account for the imprest in full on or before the close of business on the last working day of a financial year and to refund any unexpended balance to the Treasury; and
 - (i) to be ready at any time to produce to the Accountant-General or to the Controller and Auditor-General or their representatives the full amount of the imprest in cash, stamps, bank balance or completed payment vouchers.
- (2) The officer holding a standing imprest must keep an imprest account showing the amount of the full details of the payment vouchers for imprest disbursements made from the imprest.
 - (3) The imprest account shall be balanced at the time of each recoupment and the total of the cash, stamps; bank balance and the completed vouchers must correspond with the amount of the imprest.
 - (4) After recoupment the balance shall be carried down and the amount of the recoupment entered, thus bringing the total to the amount of the original imprest.

101. Recoupment of imprests

- (1) When recouping the imprest the imprest holder shall submit to the Accountant-General the properly completed vouchers supported by a covering schedule summarising the individual vouchers.
- (2) Vouchers shall be sent to the Treasury for recoupment not later than the month following that in which they were paid.
- (3) Vouchers paid in different months shall not be included in the same recoupment.
- (4) After examining the payment vouchers and on being satisfied that they are correct, the Accountant-General shall pay the total sum represented by the vouchers to the imprest holder to recoup the imprest to its original amount.

102. Submission of account on standing imprests

- (1) At the beginning of each month every holder of a standing imprest shall submit to the Accountant-General a signed account showing how his imprest was made up on the last day of the preceding month and such the account shall be supported by a signed certificate of the cash on hand, a bank statement and bank reconciliation, where appropriate, and such other documents as are necessary to prove the level of the imprest.
- (2) On any change of an officer operating a standing imprest an account similar to that prescribed in this regulation must be prepared, showing how the imprest was made up at the time of handing over.

- (3) Five copies of the statement will be prepared and signed by both the officer handing over and the officer taking over the imprest.
- (4) The original statement shall be sent to the Accountant-General, one copy will be sent to: the Controller and Auditor-General and a third retained on file in the department of office.
- (5) The officers concerned are required each to retain one of the remaining copies and in no circumstances may a personal imprest be handed over to another officer.

103. Retirement of imprests responsibility of holder of imprests

- (1) All imprests shall be retired as soon as the necessity for them ceases to exist and in any event, except as provided under these Regulations by the close of business on the last working day of the financial year in which they were issued and where a new imprest is necessary in the subsequent financial year it will be issued under the authority of the Imprest Warrant for that year.
- (2) Except as provided under these Regulations, where a public officer to whom an imprest has been issued fails to retire it in full within 30 days of the close of the financial year in which the imprest was issued or otherwise on the demand of the Accountant-General, the amount outstanding may forthwith be recovered from any salary or other emoluments or from any other amounts due to the officer.
- (3) Where no such salary, emoluments or amounts are available from which to recover the imprest, the amount may be charged as a personal advance in the name of the imprest holder and may be recovered as a civil debt due to the Government.
- (4) Imprest holders are not relieved of their responsibilities until payment vouchers submitted to the Treasury have been examined and found to be correct.
- (5) Notwithstanding the general rule that all imprests must be retired before the close of the financial year, a personal imprest issued in one financial year, a personal imprest issued in one financial year in respect of a duty journey which has not been completed by the end of that financial year may be retained by the officer, but it must be accounted for as soon as the officer returns to his or her normal place of work.
- (6) Where the duty may not have been completed, so far as is practicable, the officer should submit vouchers for the expenditure incurred by him or her against the imprest before the end of the financial year, so that they can be included in the accounts of that year.
- (7) No further personal imprest shall be issued to a public officer for the purposed of a duty journey if he or she is still in possession of an unretired imprest previously issued to him or her for a similar purpose.

(c) – Loans and advances (regs 104-108)

104. Authority for loans and advances

- (1) The grant of loans and advance from public funds is strictly limited and such loans and advances may only be made by the Accountant-General under the authority of an Advances Warrant under the hand of the Minister and for the purposes stated in the Act.
- (2) No advance account or loan account will be opened nor will any action be taken by any officer which will result in the issue of an advance or loan without the prior approval of the Accountant-General and any officer taking such action shall be personally liable in the event of non-payment.
- (3) No expenditure which is properly chargeable to a Vote of Expenditure shall be debited to an advance account.

105. Loans and advances to be secured by agreements

- (1) All loans and advances other than those for Standing or Special Imprests must be secured by agreements, the form of which must be approved by the Accountant-General.
- (2) The agreements, which must clearly specify the full details of the loan or advance, including the amount thereof, the terms of repayment, the collateral security and the rates of interest, etc. must be properly signed and witnessed by all the parties thereto and duly stamped where appropriate and the agreements shall be retained in safe custody in a strongroom or safe.

106. Accountant-General to control issues and repayments

- (1) The Accountant-General shall be responsible for ensuring that payments and repayments of loans or advances, and they shall be made strictly in accordance with the terms and conditions attaching to the loan or advance.
- (2) The Accountant General shall in particular, ensure that:
 - (a) payments are made only to persons entitled to them;
 - (b) suitable terms and conditions have been prescribed to safeguard the repayment of the loans of advances;
 - (c) interest is charged where applicable;
 - (d) repayments are not overlooked or delayed;
 - (e) that collateral security is held by the Government; and
 - (f) proper accounts and controls are kept and the necessary recoveries effected.

107. Accountant-General to maintain accounts

The Accountant-General shall maintaining the following accounts namely:

- (a) a control account to record the total sum provided for each category of loan advance, the amounts issued, the repayments received and the balance outstanding; and
- (b) an individual account for each borrower which, apart from the accounting transactions, should record the name of the borrower, the authority for the amount loaned or advanced, the amount so authorised, the terms of the loan or advance, the nature of the collateral security, the rate of interest payable and the due dates and amounts of repayments.

108. Individual loan accounts

- (1) The balances on the individual loan accounts will be listed and reconciled with the relevant balances in the control accounts once a quarterly.
- (2) Copies of the reconciliation shall be supplied by the Accountant-General to the Controller and Auditor-General.

(d) – Salaries and Wages (regs 109-114)**109. Management of personal emoluments**

It shall be a fundamental principle for the management of personal emoluments that activities relating to the authorisation of appointments, the authorisation of payments and the recording of those payments may not be performed by the same person.

110. Custody of records of Personal Emoluments

- (1) Accounting Officers are responsible for ensuring that Personal Emolument records are maintained for all of the permanent staff within their Ministries and Departments are correct and that all changes, increases or deductions are duly notified to the Accountant-General.
- (2) The rates of salary and other personal emoluments for members of the established service are as authorised in the salary scales published in the Estimates except in the case of contract officers where the scale is that stated in the relevant contract.
- (3) Advices of changes should be batched and sent to the Accountant-General by the appropriate date shown in the Schedule of Payroll Dates which shall be issued by the Accountant-General at the start of the year.

111. Certificate of appropriate forms by Accountant-General

- (1) When the appropriate form is received by the Accountant-General it shall be verified against authorising documents, which shall come either from the Civil Service Department in the case of allowances or changes of pay or from the Accountant-General in the case of deductions.
- (2) No employees name shall be entered into the payroll until a copy of the letter of appointment has been received and no action may be taken which would result in the payment of additional salary or allowance to any officer until such time as a copy of the proper authority has been received.

112. Balance of salary or allowance due to an officer

Any balance of salary or allowance due to an officer who has been convicted for misappropriation of Government funds or theft of Government property, or who has been dismissed, or whose appointment has been terminated thereby leaving sums due to the Government, may not be paid without the prior authority of the Accountant-General.

113. Responsibility of Accounting Officers on books of accounts

- (1) Accounting Officers are responsible for ensuring that the required books and other records are maintained so that persons employed on a daily wage basis are paid only for days actually worked.
- (2) Paysheets in the form and manner laid down by the Accountant-General shall be prepared for each week and witness nominated by the Accountant-General.
- (3) Payment shall normally only be made to the person listed on the paysheet after proper identification and signing unless an acceptable letter of authorisation to make payment to another party is submitted and any unpaid wages shall be repaid to the Accountant-General and the entry on the paysheet initialled by both the Paying Officer and the witness.
- (4) In no cases shall monies be paid to any officer, subcontractor, foreman or any other person for distribution unless authorised by the Accountant-General.

114. Salary

In this Part, the term "salary" shall be construed as including all items of personal emoluments.

Part XII – Accounts and bookkeeping (regs 115-140)**115. Classification of accounts**

The approved Estimates form the basis of the accounts for the year to which they relate and the analysis and classification of the accounts of revenue and expenditure must accord with those Estimates.

116. All accounting entries to be vouched

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

117. Form of accounts

- (1) A book, account or record that is required to be kept under the provisions of the Act or these Regulations may be kept or prepared:
 - (a) by making entries in a bound or loose-leaf book;
 - (b) by recording or storing the data concerned on electronic or other non-traditional media by means of a mechanical, electronic or other device; or
 - (c) in any other manner approved by the Accountant-General.
- (2) Where a book, account or record is to be kept or prepared by a mechanical, electronic or other device or to be stored on electronic or other non-traditional media:
 - (a) the data recorded or stored will be capable, at any time, of being reproduced in a written form or another form approved by the Accountant-General; or
 - (b) a reproduction of the data is kept in a written form approved by the Accountant-General.
- (3) The provisions to the Act and these Regulations in respect of written records will apply *mutatis mutandis*.

118. Use of computer based accounting systems

Where the data recorded or stored on electronic or other non-traditional material by a mechanical or electronic device forms part of a system of account under the control of an Accounting Officer, the prior approval of the Accountant-General for which must be obtained and any changes to it approved.

119. Security of accounting systems

An Accounting Officer shall take all reasonable precautions to guard against damage to, destruction of, or falsification of or in, and discovery of falsification of or in, any book, account, record or part of a book, account or record required by the act or these Regulations to be kept and in particular shall ensure that all instructions issued by the Accountant-General in this respect are implemented and enforced.

120. Audit trail

An Accounting Officer shall, satisfy him or herself that, where the system involves the authorisation, approval, deletion or alteration of any transaction or data by electronic means or any means other than in writing, an audit trail is made so that it enables the person giving such authorisation or approval or deleting or altering a transaction to be identified beyond reasonable doubt and the nature and, if applicable, the amount of the authorisation, approval, deletion or alteration is ascertained.

121. Security and passwords

- (1) Notwithstanding the preceding provisions under this Part, an Accounting Officer shall satisfy himself as to the security of the means of storage and the method of processing of electronic media and its data and to the proper documentation of any software involved and shall implement and enforce any instructions issued by the Accountant-General in this respect.
- (2) In particular access to data and data processing areas shall be controlled and the method of control document. Where passwords are used as a security check for accessing data in a computer based accounting system for whatever purpose including the authorisation or approval of transactions by

electronic means or the alteration or deletion of any data, they shall be kept secret by the person to whom they are allocated.

- (3) Any officer who communicates a password to another officer commits an offence under the Act.

122. Provision of technical and back-up support

- (1) Proper technical support shall be kept readily available for both hardware and software.
- (2) Effective backup and disaster recovery procedures are put in place for the event of a partial or complete breakdown or loss of the storage media or processing equipment to ensure that the administration of the government is not adversely affected and in particular the collection of revenue.

123. Inspection and production of records

- (1) Where any book, account or record is stored by means of a mechanical electronic or other device on electronic or other non-traditional media and the Act or these Regulations requires that the book, account or record and the matters contained therein is required to be available for inspection or for copies to be made thereof, an Accounting Officer shall make the book, account, record or matters concerned available in written form or otherwise provide a document containing a clear reproduction in writing of the whole or part of them as the requirement may entail.
- (2) Any written document or reproduction supplied under this regulation shall be deemed to be a valid reproduction unless the contrary is established.

124. Alterations, corrections, etc.

- (1) No any erasure or alteration shall be made in any cash book, assessment register, rent roll, ledger, voucher or other document of account.
- (2) Payment in connection with any document bearing an alteration or erasure may be refused by the Accountant-General.
- (3) If any correction is necessary, the original entry must be crossed through by a line only, so as to show clearly what the original entry was, and the correct entry placed above the original one, the correction being initialled by the officer responsible.
- (4) In no circumstances whatever may a correction be made in any document which has been audited, without the prior consent in writing of the Controller and Auditor-General.

125. Frequent receipt of corrected documents

If documents containing corrections are frequently received by the Treasury from any department or officer, the Accountant-General may invite the attention of the Accounting Officer to this fact and seek an appropriate explanation.

126. Treasury cash books generally

- (1) The Accountant-General and any Sub-Treasurer appointed by him, shall keep in their offices a cash book, batch sheets or other records showing the allocation of receipts and payments, journals and ledgers together with such other books and registers as may be necessary for the proper maintenance and production of the accounts of the Government.
- (2) All cash and bank transactions shall be entered in the cash book as they occur and the entries numbered consecutively on each side of the cash book in the order of the receipts or payments and corresponding numbers will be entered on the supporting vouchers, commencing a fresh series each month.

- (3) The cash book must be totalled and balanced at the end of each working day and the balance compared with the total amount on hand and in the event that the balance does not agree with that total, the discrepancy must be investigated forthwith.
- (4) The transactions and balances will then be independently checked accordingly and, certificate being entered in the cash book showing the opening balance of the day, the total receipts and the total payments of the day and the closing balance. In the case of the Treasury cash book this certificate will be signed and dated by the Accountant-General or his or her deputy.
- (5) In the case of a Sub-Treasurer the certificate shall be signed and dated by an officer nominated in writing by the Accountant-General and the closing balanced shall then be carried forward to constitute the opening balance of the next day.

127. Treasury journals

- (1) Journal entries may be prepared as required for all adjustments authorised to be made by transfer between individual Votes, sub-heads or items of revenue and of expenditure and other ledger accounts which do not involve cash receipts or payments. The Accountant-General will be the sole authority for the issue of journal entries.
- (2) Each journal entry shall be consecutively numbered in sequence, a fresh series being started for each month.
- (3) The journal entries shall be posted daily after the completion of posting of the receipt and payment vouchers for that day.
- (4) In all cases journal entries must be supported by sufficient explanations, authorities, references and documentation to enable the purpose of the transfer to be understood without reference to any other source.
- (5) Where a journal voucher involves adjustments between two or more Votes the voucher shall copied to all the Accounting Officers concerned.

128. Sub-treasury accounts

- (1) Not later than the tenth working day of every month each Sub-Treasurer shall submit to the Accountant-General a summary of his cash book for the previous month personally certified by him as a true abstract, together with the necessary supporting voucher and allocations of receipts, payments and a statement of the balances in his ledgers on the last day of the month.
- (2) When the Sub-Treasurer's cash book and other documents are received by the Accountant-General the same shall be checked with the allocations and the supporting vouchers and any item insufficiently accounted for will be disallowed.
- (3) Amounts so disallowed shall remain with the balance of the account as a charge against the Sub-Treasurer and if not in due time properly vouched and justified, they will be treated as a storage of public money and dealt with under these Regulations.

129. Deposit accounts

- (1) Deposit accounts may only be opened with the specific approval of the Accountant-General and the responsibility for keeping proper accounts for deposits which relate solely to the Treasury or which otherwise do not fall within the responsibility of any other department or office, rests with the Accountant-General.
- (2) In other cases the prime responsibility for keeping proper accounts for deposits lies with the Accounting Officer concerned, but in such cases the Accountant-General also has a responsibility to investigate and take any necessary action to deal with a deposit account which becomes overdrawn or which has been dormant for any considerable period or which has not been reconciled with the Treasury accounts.

130. Maintenance of deposit accounts

The following accounts will be maintained in respect of deposits—

- (a) A control account for each category of deposits, which will show at any time the total balance outstanding in respect of deposits of that category; and
- (b) an individual account for each depositor, which will show at any time the details of the transactions on that account and the balance outstanding.

131. Balances of individual deposit accounts

- (1) The balances on individual deposit accounts as at the end of the financial year will be listed and reconciled with the balances on the relevant control accounts.
- (2) In the case of deposit accounts maintained by Accounting Officers, copies of the reconciliations will be sent to the Accountant-General for agreement with the Treasury records, and to the Controller and Auditor-General.
- (3) Where the deposit accounts maintained solely in the Treasury, a copy of the reconciliations shall be supplied by the Accountant-General to the Controller and Auditor-General.

132. Duty to satisfy the purpose for refund

Whenever a claim is received for the refund of a deposit the officer authorising the refund must satisfy him or herself that the purpose for which the deposit was taken has been fulfilled and such officer must also satisfy him or herself preferably by reference to the original receipt issued, that the person claiming the deposit is the original depositor or is otherwise entitled to the refund.

133. Payment of unclaimed deposits

- (1) Any deposit which has remained unclaimed for five years may with the approval of the Accountant-General, be paid into revenue and the Accountant-General may refund the deposit to any person entitled thereto, if he or she is satisfied that the claim is authentic.
- (2) Any refunds after the deposit has been transferred to revenue must be met from voted expenditure.

134. Investments and unquoted stocks

- (1) The Accountant-General shall maintain an Investment Register showing full details of all securities and investments purchased by the Government, including the dates and price of purchases and sales, dates on which interest or dividends are due received and dates of maturity.
- (2) Securities and investments shall be revalued as at the last working day of every financial year at the middle market price on that day quoted in the main market in which they are traded and agreed with the balance on the investment account in the Investment Ledger.
- (3) Valuations of unquoted stocks will be obtained from a reputable stockbroker.

135. Public debt

- (1) The Accountant-General shall maintain a register showing details of all loans raised by the Government and other forms of public debt.
- (2) The register shall show in respect of each item of public debt its term and designation, the amount raised in local currency and also, if appropriate, the currency of issue, the authority under which the loan was raised or the debt incurred, the terms on which it was issued, including the rate of interest, the dates on which payments of interest are due, the date of redemption and the sinking fund contributions.

136. Standard forms

Standard forms and voucher required for accounting procedures may be specified by the Accountant-General but prior authority of the Accountant-General must be obtained before the introduction of any special forms or vouchers for use in individual departments or offices.

137. Preservation of Accounting records

- (1) The Accountant-General shall issue instructions to Accounting Officers specifying the precautions which may be taken in particular cases to safeguard accounting records and documents and in particular those which have been stored on electronic or other non-traditional media.
- (2) The Accountant-General shall ensure that all receipts and payment voucher lodged with the Treasury are properly and securely bundled and that they and all other accounting documents are kept in an orderly manner so that they are available when required.

138. Principle of efficient accounting

Every Accounting Officer and accountants shall observe a principle that efficient accounting is to a large extent dependent upon neatness and orderliness in the filing and preservation of vouchers, books, registers and other documents which support and explain entries in the accounts. In filing payment vouchers it is preferable that they should be filed in vote order rather than in cash book sequence.

139. Accounting records

- (1) All classes of account books and records will be carefully preserved and may not be destroyed without the approval of the Accountant-General and the concurrence of the Controller and Auditor-General.
- (2) Account books and records shall be retained for the following periods:

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

140. Destruction of accounting records

- (1) Accounting Officers wishing to destroy departmental accounting records will submit three copies of the lists of documents concerned to the Controller and Auditor-General, who if he has no objection to the destruction of the documents will so signify on two copies of the list and forward them to the Accountant-General.
- (2) If the Accountant-General approves the destruction of documents he shall so endorse one copy of the list and return it to the Accounting Officer.
- (3) The Accounting Officer will advise the Accountant-General and Controller and Auditor-General in writing when destruction of the documents has taken place, retaining his copy of the list as his authority for the destruction and the Accountant-General will obtain the concurrence of the Controller and Auditor-General before any Treasury records are destroyed.

Part XIII – Custody and security of public money (regs 141-175)**(a) – Strongrooms, safes and strongboxes (regs 141-153)****141. Provision of security facilities**

- (1) Strongrooms, safes and strongboxes shall be provided for the safe custody of public moneys and valuables in all Government premises in which such moneys are received and retained either temporarily or permanently.
- (2) Strongrooms and, where appropriate, safes shall be fitted with two different locks, the keys or combinations of which should be held by different officers.
- (3) The necessity for a strongroom, safe or strongbox shall be determined by the Accountant-General and it shall be the responsibility of Accounting Officers to report to the Accountant-General if they are not satisfied that adequate facilities are available in any of their premises for the proper safe custody of public moneys and valuables.

142. Use of security facilities

- (1) An officer holding the key of a strongroom, safe or strongbox must retain the key in his or her personal possession and must ensure that it is properly safeguarded at all times but the key shall not carry a tag or other indication of the strongroom, safe or strongbox which it operates.
- (2) An officer holding the combination of a strongroom, safe or strongbox must ensure the combination is known only to him or her and not divulged to any other person.
- (3) When operating the combination he or she must do so in such a manner that it cannot be read off by another person and except as provided these Regulations no spare or duplicate keys or written record of a combination shall be retained.

143. Custody of duplicate keys, written records, etc.

- (1) Spare and duplicate keys or a written record of the combination of strongrooms, safes and strongboxes other than those used for the storage of classified material must be placed in an envelope which must be endorsed "Duplicate key/combination of strongroom, safe, strongbox, No _____".
- (2) The key or combination holder must seal the envelope personally, either with his or her personal seal or by signing and dating across the sealed flap in such a manner that the envelope cannot be opened without disfiguring his or her signature.

- (3) The envelope will then be deposited with the Accountant-General, who shall enter the deposit in a register showing the strongroom, safe or strongbox number, its location, the maximum overnight holding, the name and designation of the key or combination holder and the date of the deposit.
- (4) The Accountant-General will issue an appropriate receipt to the depositor and retain the envelope under maximum security in his or her own strongroom.
- (5) The duplicate keys or written record of the combination of the Accountant-General's own strongroom shall be deposited in like manner in a bank.

144. Duty of assignment officers during handover of strongrooms, etc.

- (1) Combinations must be changed on the handover of a strongroom safe or strongbox as provided in these Regulations or every six months, whichever is the earlier. Similarly, duplicate keys will be changed over every six months.
- (2) The Accountant-General shall release the envelope containing the duplicate key or record of the combination only against the surrender of the receipt which he or she gave for it, noting the date of the withdrawal in his or her register.
- (3) On receiving the envelope, the key or combination holder must check that the seal has not been tampered with in any manner. The other key or written record of the new combination shall be deposited in the bank.

145. Records of strongrooms

- (1) Each Accounting Officer shall keep a record of strong-rooms, safes and strongboxes on premises occupied by his department or office showing the strongroom, safe or strongbox number, its location, the name and designation of the key or combination holder, the dates on which he took over and handed over responsibility for the strongroom, safe or strongbox and a record of the withdrawal of duplicate keys or written combination in accordance with the proceeding regulation.
- (2) A change of key or combination holder may be effected only on the authority of the Accounting Officer, who must notify the change in writing to the Accountant-General with a copy to the Controller and Auditor-General.
- (3) At the start of each financial year every Accounting Officer must submit to the Accountant-General, with a copy to the Controller and Auditor-General, a return showing the make, type, maker's reference number and location of each strongroom, safe or strongbox in his department or office.

146. Strongrooms, etc., having different locks

- (1) When a strongroom, safe or strongbox having two different locks is handed over it must be ensured, by examination of register, that the officer taking over has never held the key of the other lock but if such a situation cannot be avoided, the lock of the strongroom, safe or strongbox must be changed.
- (2) If the holder of a key to a strongroom, safe or strongbox loses his key he must immediately report the fact to his Accounting Officer, who shall forthwith report the loss to the Police and the Accountant-General.
- (3) The Accountant-General shall make arrangements for the lock be changed immediately and where such change can not be possible he or she shall arrange for the duplicate key to be withdrawn by the key holder and the contents of the strongroom, safe or strongbox removed under proper security to other safe custody, until the lock can be changed, and similar action must be taken if the key holder has good reason to suspect that his key has been exposed to copying or otherwise compromised.

147. Contents of strongrooms, safes, etc.

If any case in which the lock of a strongroom, safe or strongbox needs to be changed because of the loss of a key or officer responsible may be charged with the cost of changing the lock and providing new keys.

148. Safes to be secured and locked

- (1) Accounting Officers shall ensure that all safes on premises for which they are responsible are secured by being built into the wall of the building or by otherwise being securely attached to the structure. Except where strongboxes need to be moved from place to place they should likewise be secured by being bolted to the structure, access to the bolts being from inside the strongbox.
- (2) Strongrooms, safes and strongboxes must be kept locked at all times except during the actual process of depositing or withdrawing public moneys, and when a strongroom, safe or strongbox is open the officer in whose charge it is must take every precaution to ensure that no other person has access to its contents.

149. Custody of public money and valuables

- (1) All public money and valuables received by a public officer and all public moneys retained in his custody must be deposited as soon as possible in a strongroom, safe or strongbox pending their payment into the Treasury or bank or being otherwise properly disposed of and in no circumstances may any public moneys other than temporary imprest, be retained in the possession of a public officer other than in a strongroom, safe or strongbox. Negligence in this respect will place the entire responsibility for any loss upon the officer concerned.
- (2) No public officer may keep, or allow to be kept in a strongroom, safe or strongbox under his charge private money or valuables or any money or valuables other than those which he is bound to receive and account for by virtue of his public office.

150. Money which may be retained in strongrooms, etc.

- (1) The Accountant-General will lay down the maximum amount of public money and where appropriate the limitation of valuables which may be retained in a strongroom, safe or strongbox overnight.
- (2) If maximum amount is likely to be exceeded the excess may be placed in a locked or sealed secure container and temporarily deposited in a strongroom or safe of higher security grading, a receipt being obtained from the key holder of that strongroom or safe.
- (3) In exceptional circumstances where large amounts are involved the matter should be reported to the Accounting Officer, who in his discretion may arrange for the strongroom or safe to be placed under police guard.

151. Keeping of certain items in strongrooms, etc.

When not in use the following items shall always be kept in a strongroom, safe or strongbox—

- (a) cash, including cheques and other instruments of payment;
- (b) the main and sub-stocks of stamps;
- (c) cheque books;
- (d) cash books;
- (e) revenue receipt books of any description;
- (f) special clamps and dies, seals, etc;

- (g) any other official valuables; and
- (h) a register, showing in as much detail as is practicable the contents of the strongroom, safe or strongbox at any given time.

152. Surprise inspections of strongrooms, etc.

- (1) Accounting Officers are responsible for arranging for surprise inspections of the contents of strongrooms, safes and strongboxes in their departments or offices.
- (2) Inspections may be made at irregular intervals, but at least once every three months. The inspecting officer will report to the Accounting Officer any discrepancies, deficiencies or irregularity which he may find and any case in which he considers the safe custody facilities to be inadequate.
- (3) The result of each inspection shall be recorded in the Register of Surprise Inspections.

153. Security of cash in transit

- (1) The security of cash in transit is the responsibility of the Accounting Officer concerned and a sufficient escort should be provided and other precautions taken, by varying the route taken or the times of collection or paying-in.
- (2) Where appropriate, the advice of the Commissioner of Police shall be sought on the nature of the security precautions which should be applied in particular circumstances.

(b) – Bank accounts and cheques (regs 154-162)

154. Operation of bank accounts

Subject to the instructions of the Minister, the Accountant-General may appoint one or more banks in Tanzania to be bankers to the Government for the custody of public moneys and other official funds and for the transaction of official banking business.

155. Authority of accountant-general to open bank account

- (1) Except with the prior authority of the Accountant-General no public officer may open a bank account for the deposit, custody or withdrawal of public moneys or other moneys for which he is responsible in his official capacity or for the transaction of official banking business.
- (2) The authority of the Accountant-General will be conveyed in writing to the officer concerned and copied to the Permanent Secretary and the Controller and Auditor-General.
- (3) The Accountant-General may prescribe the maximum balance which may be held in any official bank account and where at any time this balance seems likely to be exceeded the officer operating the accounts will consult the Accountant-General on the action to be taken.

156. Prohibition to overdraw bank account

- (1) It is expressly forbidden to overdraw an official bank account or to obtain any advance or loan from a bank for official purposes, without the prior authority of the Accountant-General.
- (2) The authority of Accountant-General shall be conveyed in writing to the officer concerned and copied to the Permanent Secretary and controller and Auditor-General and in no circumstances may private cheques be cashed through official bank accounts nor may private money be deposited in such an account.

157. Signatories of cheques

- (1) Accounting Officers may nominate officers who may sign cheques drawn on bank accounts for which they are responsible. At least two signatures are required for the operation of the account one of whom is not responsible for the preparation of the cheque and neither of which is responsible for the authorisation of the payment.
- (2) The names and designation of those officers and their specimen signatures will be advised to the bank where the account is held, copies of the advice being sent to the Accountant-General and the Controller and Auditor-General.
- (3) Any change in signatories shall be similarly advised.

158. Arrangements in case of emergency

In order that a bank account shall continue to operate regardless of any circumstances that may arise in respect of the normal signatories, arrangements may be made by the Accounting Officers for the account to be capable of operation by the Treasury in an emergency. The provisions in respect of the number and status of the Treasury signatories and apply to such arrangements.

159. Issue of cheques

- (1) Unless an open cheque is specifically requested by the payee and accepted by authorizing officer, all cheques drawn on official bank accounts must be crossed.
- (2) Every officer signing a cheque must satisfy himself that the cheque is correctly drawn and that the payee and the amount correspond with the details of the bill or voucher in respect of which it is in payment and that the details of the counterfoil agree with those on the cheque.
- (3) In no circumstances whatever will an officer sign a cheque which has not been fully completed in all respects.
- (4) Cheques which are not crossed must be treated as if they were payments in cash and where they are remitted by post, they must be sent to the payee under registered cover.

160. Bank to be advised on lost or mislaid cheques

- (1) In event of cheque issued by a Government department being reported as lost or mislaid before they are cashed, the bank must immediately be advised to stop payment of the cheque, acknowledgement of this instruction being obtained.
- (2) The payee shall be requested to provide a written indemnity against any loss being sustained by the Government because of the missing cheque and he may then be issued with a replacement cheque.
- (3) If the original cheque is found before a replacement cheque is issued, the bank should be requested to lift the stop order. If the original cheque is found after a replacement cheque is issued, it must immediately be cancelled.

161. Cheque books

- (1) Government cheque books or forms must be examined immediately they are received from the bank to ensure that no cheque are missing. The checking will be carried out by a responsible officer who will enter his initials and date on the reverse of the last counterfoil in each cheque book or form in a series as evidence that the examination has been made.
- (2) Cheque books not required for immediate issue shall be stored in a strong room, safe or strongbox. Cheque books which are currently in use will be similarly stored overnight or when not immediately required.

- (3) Counterfoils of all cheque issued and paid cheque returned by the bank must be retained in safe custody as they may be requested for examination by the Accountant-General or Controller and Auditor-General.

162. Reconciliation of bank accounts

- (1) The balance of every bank account as shown in the bank statement must be reconciled with the corresponding cash book balance at least monthly, the reconciliation statement being filed or recorded in the cash book.
- (2) Reconciliations shall be carried out when responsibility for any bank account or cheque book is handed over from one officer to another and on the occasion of any surprise inspection or survey.
- (3) Copies of reconciliations of all accounts other than those of the Treasury shall be sent to the Accountant-General.

(c) – Boards of Survey (regs 163-168)

163. Appointment of Boards of Survey

- (1) The Accountant-General shall appoint Boards of Survey to be held after the close of business on the last working day of each financial year or before the start of business on the first working day of the new financial year to survey the following:
 - (a) the cash and bank balances of the Treasury; and
 - (b) such other cash and bank balances as the Accountant-General may advise or consider appropriate.
- (2) The Accountant-General will also appoint Boards of Survey on not less than one other occasion in each year to conduct surprise surveys on the cash and bank balances and the Accounting Officers may at their discretion, approve Boards of Survey to conduct surprise surveys on cash and bank balances and stamp stocks held by officers of their departments or offices.

164. Composition of Boards

A Board of Survey shall comprise of at least two officers, one of whom will be designated by the appointing officer as Chairman and the officers appointed must not have any direct responsibility for the balances or stocks which they are required to check.

165. Notification of appointment, etc.

- (1) The Accountant-General or Accounting Officer appointing the Board of Survey will notify the officers in writing of their appointments as Chairman and members of the Board of Survey, copying the letters of appointment to the Permanent Secretary and Controller and Auditor-General and if appropriate the Accountant-General.
- (2) Should an officer be unable to serve on the Board he or she must notify the appointing officer forthwith stating the reason for his inability to serve and if such reason is acceptable to the appointing officer, a replacement officer may be appointed.

166. Conduct of business by Boards of Survey

- (1) The Chairman shall arrange with the other member or members of the Board when they will assemble and in the case of a surprise survey this information must be treated as confidential and not communicated to any other person.

- (2) The officer responsible for the balances to be surveyed must be present at all times the Board is carrying out its duties and the Chairman and members of a Board of Survey must particularly ensure that to avoid blame for any shortage being directed at them, on no occasion are they left alone with the cash balances.
- (3) The Board of Survey shall count all the cash on hand in the office being surveyed, including the contents of strongrooms, safes and strongboxes.
- (4) The cash shall be counted in detail, except that in the case of the survey of the main stocks of currency, boxes, bags or packets of currency notes and coins may be accepted if the Board of Survey is satisfied that the seals of the Bank of Tanzania or other original suppliers are unbroken.
- (5) The balance of cash on hand shall be agreed or reconciled with the balance in the relevant cash book.
- (6) Any discrepancies must be noted for inclusion in the Board's report, together with the explanation of the discrepancy given by the officer responsible for the balances and any significant discrepancy must be reported immediately by the Chairman to the officer who appointed the Board.

167. Rules relating to conduct survey

- (1) Having started a survey of cash balances the Board must not leave them unattended and must continue until the survey of those balances or stocks is completed.
- (2) If it is impossible to complete the survey in one day, all strongrooms, safes and strongboxes which have not been fully checked must be sealed by the Board and the seals must not be broken except in the presence of the Board.
- (3) In the case of a survey involving a bank balance, the Board will reconcile the bank balance shown in the cash book with the balance shown in the latest bank statement on hand, listing unpresented cheques, credits not accounted for and other adjustments for attachment to the Board's report in support of the bank reconciliation.
- (4) The Chairman shall also request the officer responsible for the bank account to ask the bank to send direct to the Chairman, a bank statement and bank certificate of balance to the close of business on the working day immediately previous to the date of the survey.
- (5) On receipt of such documents the Board shall carry out an up-to-date reconciliation of that latest bank balance using the information noted during the survey.

168. Reports of Board of Survey

- (1) The report of the Board of Survey shall be prepared on the approved form and signed by the Chairman and all members of the Board.
- (2) Any attachments to the report should be similarly signed. The report should include any comment on matters arising from the survey which the Board may consider relevant.
- (3) The report shall be sent as appropriate to the Accountant-General or Accounting Officer who appointed the Board, with a copy each to the Permanent Secretary and the Controller and Auditor-General and where appropriate the Accountant-General.

(d) – Handing-over Procedures (regs 169-175)

169. Duties of Officer handing over

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

- (2) In every such case the officer handing over must ensure that all cash books, registers, etc., are fully entered and balanced to the date of the hand-over, ruling off the books after the latest entry. He must prepare in quintuplicate a handing-over statement fully and correctly listing all balances, documents, etc., in his possession which he is required to hand over.
- (3) In particular the statements will record the following items, if applicable:
 - (a) cash and bank balances in words and figures;
 - (b) the serial numbers of all fixed fee tickets;
 - (c) the serial numbers of all unused, partly used and completely used receipt and licence books;
 - (d) details of strongrooms, safes and strongboxes, etc., and of their keys including duplicates;
 - (e) the quantities and descriptions of sealed packets and other articles of value;
 - (f) any official seals, dies or stamps;
 - (g) titles of books of regulations, rules and instructions; and
 - (h) references of files and similar official documents.

170. Duties of Officer taking over from another Officer

- (1) The Officer taking over must check that all items listed on the statement are actually produced and handed over to him and that they agree with the balances, stocks, etc., shown in the relevant cash books and registers.
- (2) In particular he shall, if applicable:
 - (a) check carefully and in detail all cash, fixed fee tickets, receipt books, etc., comparing them with the balances and stocks in the relevant cash books and registers;
 - (b) check all entries and castings in the cash books since the last payment to Treasury or bank and verify that all receipts issued subsequent to that payment have been duly brought to account;
 - (c) if a bank account is operated, call for a bank statement and reconcile the bank balance with the relevant cash book;
 - (d) check the balance of any standing imprest with the imprest account and ensure that the total of cash on hand, completed vouchers, etc., agrees with the amount of the imprest;
 - (e) ensure that the keys handed over to him actually operate the locks which they purport to operate and that the locks and keys are in good order, that duplicate keys have been properly deposited and that the strongrooms, safes and strongboxes comply with the provisions of these Regulations;
 - (f) check that sealed packets are in fact sealed and that they and other items of value, etc., comply with their descriptions in the strongroom, safe or strongbox register;
 - (g) check that, *prima facie*, all books of regulations, instructions, etc., have been amended to date; and
 - (h) enquire into the omission from the handing-over statement of any items which on the basis of his experience he would normally expect to receive in connection with the duty which he is taking over.
- (3) When the officer taking over is satisfied as to the correctness of the handing-over statement, he shall draw a bold line below the last entry and across any unused part of the statement and all copies of the statement shall then be signed and dated by both the officer handing over and the officer taking over.

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

171. Shortages and discrepancies found during hand-over

- (1) If during the hand-over, shortages or discrepancies are noted between the balances or stocks of cash, receipt books, etc., being handed over and those recorded in the relevant cash books and registers, the full facts relating to the shortage or discrepancy must be recorded in detail in the handing-over statement together with the explanation of the shortage or discrepancy given by the handing-over officer.
- (2) In the event of the shortage or discrepancy being other than of a very minor nature, the officer taking over must make an immediate report to the Accounting Officer or in the case of a hand-over between outgoing and incoming Accounting Officers to the Accountant-General who must forthwith investigate the shortage or discrepancy, submitting his or her report to the Accountant-General, or Permanent Secretary in the case of an investigation by the Accountant-General, with a copy to the Controller and Auditor-General.

172. Distribution of statements

On completion of the hand-over, the officers handing over and taking over will each retain one copy of the handing-over statement, one copy will be sent to the Accounting Officer, or in the case of a hand-over between outgoing and incoming accounting Officers, to the Accountant-General and one copy each to the Accountant-General or to the Permanent Secretary and Controller and Auditor-General.

173. Procedure on illness or absence of officer

- (1) If because of illness or for any other reasons an outgoing officer is unable to hand-over his duties and responsibilities in person, he shall forward the keys of the strongrooms, safes strongboxes, and such other items in his custody to his Accounting Officer by hand under sealed personal cover.
- (2) The Accounting Officer must then appoint a Handing-over Board comprising at least two officers who will, on behalf of the outgoing officer, jointly perform the hand-over duties prescribed in the foregoing paragraphs, signing the handing-over statement in his stead.
- (3) The procedure detailed herein shall apply where a key-holder is unexpectedly absent from a duty which cannot be held in abeyance until his return.

174. Procedure where taking over cannot be made

If, for any reason, an incoming officer considers that the state of the records, balances, security, etc., is such that he cannot conscientiously take them over, he must immediately seek instructions orally from his or her Accounting Officer and promptly submit to the Accounting Officer, with copies to the Permanent Secretary, Accountant-General and Controller and Auditor-General a full written report of the circumstances of the case.

175. Loss of accountable documents and action to be taken

- (1) The action to be taken on the loss of accountable documents shall vary with the nature of the documents concerned.
- (2) A loss of stamps, fixed fee receipts or licenses, shall be treated as a loss of cash.
- (3) Loss of accountable documents as miscellaneous receipts, invoice orders, which do not have a predetermined value but which nevertheless might be misused if they fell into the wrong hands, the loss should be reported forthwith to the Accountant-General and the Controller and Auditor-General.

- (4) A notice in a form approved by the Attorney General should be placed in at least one local newspaper, advising traders and other members of the public not to accept documents of the serial numbers concerned.
- (5) Where the loss of the documents was due to the negligence of an officer, the Accounting Officer should require the officer responsible to pay for the cost of the advertisement.

Part XIV – Public stores (regs 176-238)

(a) – Care and custody of stores (regs 176-186)

176. Inspection of stores

- (1) Accounting Officers must arrange for the stores for which they are responsible to be inspected regularly and for written reports to be made to them on the sufficiency of the storage accommodation and on the general condition of stores and storage facilities.
- (2) The inspecting officer must report immediately to the Accounting Officer in writing any case of loss, shortage, leakage, damage, waste, deterioration or irregularity observed in the course of his or her inspection and the Accounting Officer must take prompt and appropriate action to correct any defects or deficiencies reported.

177. Regular checks of stores

- (1) Regular checks shall be arranged of all stores records and test comparisons made between the physical stocks on hand and the ledger balances.
- (2) The inspecting officer must enter the initial and dates in all entries checked in the stores records and against the balances of the stocks which he has physically verified and submit a written report to the Accounting Officer on the extend of the checks made.
- (3) Twice yearly, the Accounting Officer or his deputy must personally scrutinise the stores accommodation and records to satisfy him or herself that the stores procedures and accounting are adequate and that they provide effective safeguards against error, loss, shortage, leakage, damage, waste, deterioration or irregularity.

178. Scrutiny of inspection report by audit department

- (1) Officers appointed to carry out inspections shall not be officers employed within the stores organisation subject to inspection.
- (2) So far as practicable the inspections should be on a surprise basis and a record of the inspections should be made in the Register of Surprise Inspections.
- (3) All reports submitted by inspecting officers to the Accounting Officer shall be filed and made available for scrutiny by inspecting Audit Department officers.

179. Scales, weights and measures to be tested

- (1) Accounting Officers must make arrangements for the periodical examination of all scales, weights and measures used in Government stores to ensure that they function correctly and accurately.
- (2) In the absent of qualified Weights and Measures Inspectors, it is possible to do this within tolerable limits by making random tests with predetermined quantities.

180. Key-holders

- (1) Accounting Officers must appoint in writing the officers responsible for holding the keys of their departmental storerooms. Normally the key-holders will be the storekeepers of the stores concerned.
- (2) Regulations regarding the custody, safeguarding, lodging of duplicate keys, of strongrooms, safes and strongboxes apply with equal force and validity to the keys of Government storerooms.

181. Duties of stores officers

- (1) Wherever possible the duties of preparing stores vouchers and keeping the stores ledgers, registers and other records shall be carried out by a stores accountant whose duties shall be separate and distinct from those of the storekeeper having physical custody of the stores.
- (2) Where because of the smallness of the store such an arrangement would be uneconomical, the Accounting Officer must pay particular attention to the need for regular inspections in order to strengthen the internal controls and safeguards.
- (3) A storekeeper shall personally be responsible through his senior officer to his Accounting Officer for:
 - (a) the checking, handling and proper storage of all stores received into his store;
 - (b) the checking, packing and dispatch of all stores issued from his store;
 - (c) the correctness of his or her stock balances; and
 - (d) the loss, shortage, leakage, damage, deterioration or waste of any stores in his charge.

182. Verification of stock balance

A storekeeper shall verify the stock balances with the stores ledgers and bin or tally card by systematic checks covering the whole store at least twice a year and he shall report immediately in writing to his senior officer any surpluses or shortages or deteriorated, damaged, unserviceable or obsolete stocks when the stock of any article is excessive, and when any item of stock needs to be replenished.

183. Routing duties of storekeeper

- (1) A storekeeper must ensure that his storerooms are kept clean and properly ventilated and that his stores are well arranged and easy of access.
- (2) A storekeeper shall visit the storerooms daily and must bring to the notice of his more senior officer any case of loss, shortage, leakage, damage or deterioration of the stores for which he is responsible and shall examine frequently all locks of doors, fastenings of windows and other security precautions.
- (3) A storekeeper shall not permit the storeroom to remain open for any purpose during his absence nor may he delegate the duty of locking-up the storerooms to any other person. He must not permit anyone to enter the storeroom except in his presence nor must he or she allow any stores to be removed therefrom without his knowledge and without the production of a properly completed and authorised issue voucher.

184. Installation of fire fighting facilities

A storekeeper shall take particular care to ensure that fire fighting facilities are adequate, the advice of the Chief Fire Officer being obtained where appropriate, fire appliances and equipment provided for the protection of the stores must be inspected and tested regularly and those found to be unserviceable or defective must be repaired or replaced without delay.

185. Care with respect to deteriorating stocks

Clothing and other stores subject to deterioration by damp or the ravages of insects must be frequently examined by the storekeeper and shall not be placed on the floor of the storeroom, whilst containers holding fluids, shall, wherever possible, be stored off the ground so that leakage may be more readily detected. Petrol, kerosene, paints, explosives and other inflammable stores must be stored separately and must be kept in accordance with the manufacturers' recommendations and the provisions of any legislation governing such substances.

186. Care of very attractive items

- (1) Care shall be taken that "Very attractive" items, those which are especially valuable, readily movable and easily realisable shall, wherever possible, be stored in a lockable cage or cupboard within the store.
- (2) Care shall be taken that issues are not made from new consignments when any stocks of a previous consignment remain on hand.
- (3) New stores must be stored separately but adjacent to or behind old stocks. This is particularly important where stores such as medicines have a prescribed expiry date.

(b) – Classification of stores (regs 187-190)**187. Distinction between allocated and unallocated stores**

- (1) For accounting purposes stores are classified as allocated or unallocated stores.
- (2) Allocated stores the cost of which is charged direct to the appropriate expenditure item for the work or service for which they are required and which are accounted for by quantity only.
- (3) Unallocated stores are stores which are purchased expressly for a purpose and are accounted for by both quantity and value.
- (4) Unallocated stores become converted to allocated stores only when they are issued from stock and debited to an expenditure item for a work or service.

188. Distinction between expendable and unexpendable stores

- (1) Allocated stores are further divided into expendable and unexpendable stores.
- (2) Expendable stores are stores of a consumable nature such as foodstuffs, medicines, nails, soap, which, except for controls to ensure that their use is kept within reasonable and economical limits, do not normally need to be accounted for once they have been issued for use.
- (3) Unexpendable stores are those which have a "life" assigned to them and which even when they are worn out will still remain in being.
- (4) As furniture, linen, machinery, tools, vehicles, such as expendable and unexpendable stores must be recorded in separate parts of the stores ledger or in separate ledgers.

189. Accountant-general to prescribe items of stores

- (1) The Accountant-General shall prescribe for each department or office the items of stores which can be regarded by that department or office as expendable and shall, in doing so, he have regard not only to the nature of the item but also the extent of usage of that item, so that full accountability is retained for large stocks and expensive stores, even though they may be of an expendable nature.

- (2) Where very small quantities of expendable items of low value are received in departments or offices which do not maintain storage facilities, the requirement that they should be brought to account in a stores ledger before being issued for use, may be waived.
- (3) The payment voucher or stores voucher should be certified that the items were received and issued for immediate use but such procedure must not be used to avoid normal accountability for more substantial items of stores.
- (4) Special considerations may apply in the case of certain stores which are purchased from the project votes and which are received and issued directly for use on those projects.

190. Unexpendable stores to remain on inventory

Unexpendable stores when issued from store will remain on inventory charge until finally disposed of by destruction, sale or write-off.

(c) – Receipt of stores (regs 191-202)

191. Procedure on receipt at stores

- (1) The procedures governing the receipt of stores from suppliers into any Government store must aim at ensuring that payment is made only for the quantities actually received in good order and condition and meeting the required specification.
- (2) The task of receiving and checking stores shall be carried out by an officer other than the one who places the orders and authorises payment for the supplies.
- (3) The documentation shall permit of the various elements of the transaction, such ordering, receipt and payment, to be identified with and checked against each other.

192. Duty of receiving storekeepers

- (1) When stores are received the storekeeper must check with the consignment note, delivery note, that all boxes, packages, have been correctly delivered and that they are intact, unopened and undamaged.
- (2) Any that show signs of damage or of being tampered with, should be opened immediately and the contents checked in the presence of the persons making the delivery.
- (3) Where goods are damaged or deficient, their delivery same may either be refused or the nature of the damage or deficiency should be entered on the consignment note, delivery note before it is signed and all packages received should be placed promptly in appropriate shelter and security.

193. Examination of stores

- (1) As soon as practicable after receipt, all boxes, packages, shall be opened and their contents examined by the storekeeper, who will check them against the invoices or other receipt vouchers.
- (2) A storekeeper satisfy him that the stores are in good condition, correct in quantity and of the required specifications and shall sign on the receipt voucher for the quantity of stores received and record on the voucher or on a certificate attached thereto to particulars of any stores deficient, damaged or broken.
- (3) Wherever possible the storekeeper's check will be witnessed and the certificate signed by another officer.

194. Short deliveries

- (1) In order that investigations may be carried out and any claims supported it is essential that a clear signature, signifying as it does that all the goods have been received intact and in good order, should not be given until this fact has been ascertained.
- (2) It is also essential that intimation of any loss should be given without delay to the supplier and to the carrier. In cases which any dispute is likely to arise, the storekeeper shall report the matter immediately in writing to his superior officer so that an enquiry may be instituted to determine any responsibility.
- (3) In the event of loss to the Government, any failure to comply with this procedure will be taken into account in apportioning blame for the loss.

195. Foodstuffs

- (1) Special care must be taken with regard to the receipt of foodstuffs, which must be examined immediately they are delivered.
- (2) Foodstuffs which are obviously unfit for consumption must not be accepted.
- (3) In any case of doubt or dispute, action should be taken immediately to obtain a medical or other competent professional opinion on the state of the foodstuffs.
- (4) It cannot be over emphasised that prompt action shall be necessary in order that the supplier cannot maintain that he supplied items in good condition and that they deteriorated whilst in Government hands.

196. Liquid fuels

- (1) In the case of bulk deliveries of liquid fuels into storage tanks, the tanks must be dipped immediately before and immediately after the delivery in the presence of the carrier.
- (2) Any quantity short delivered must be noted on the delivery note and payment made only for the quantity received.

197. Bulk deliveries

- (1) In the case of bulk deliveries of stores which cannot be physically checked on receipt such as quarry materials, bitumen, it shall be ensured that the carriers provide a delivery note with each load showing clearly not only the weight delivered, but in order that this may be checked, a weighbridge record of the tare weight of the vehicle and the gross weight of the vehicle and load.
- (2) The delivery notes should be used to check the total quantity supplied.

198. Receipt of stores to be brought on charge

Except provided, all stores received must be brought on charge without delay in the store ledger and supported by the relevant receipt in the manner described in these Regulations.

199. Claims in case of deficiencies or damage

- (1) Where stores are received short or damaged in such circumstances that they cannot be immediately rejected, the full quantity shown on the bill or invoice must be taken on stores ledger charge and stores issue vouchers prepared for the deficiencies or damaged stores.
- (2) At the same time an entry must be made in a claims register maintained for this purpose.

- (3) The stores issue voucher number must be recorded against the entry in the claims register and the claims register folio entered on the issue voucher.
- (4) No claims be made for deficiencies and breakages not exceeding may be written off under the arrangements prescribed in these Regulations.

200. Claims for deficiencies or damage

- (1) Claims for deficient or damaged stores must be made promptly to the supplier or his agent, giving full details of the circumstances of the deficiency or damage.
- (2) Until the claim has been settled damaged stores other than perishable items must be retained and kept separately from other stores, so that they may be available for inspection if required by the supplier or agent.

201. Limitation on claims

- (1) No claim shall be considered to have been settled until the amount of the claim has been recovered in full, the deficient or damaged stores replaced, or appropriate authority received to write-off the claim.
- (2) The settlement must be recorded against the relevant entry in the claims register and the number and date of the receipt in respect of recoveries, the stores receipt voucher in the case of replacements, or the reference to the authority to write-off the claim must then be entered.

202. Arrangements where stores are purchased

- (1) The arrangements under which stores are purchased sometimes provide for the return of reusable containers for which a credit is obtained.
- (2) In such cases it is necessary to consider whether the amount of the credit justifies the cost of returning the containers and also (where this is not contrary to the conditions of their supply) whether the containers might, more profitably be used by the Government for some other purpose.
- (3) In any event returnable containers must be regarded as accountable stores items and stores ledger accounts kept to record their receipt and disposal, the entries being supported in the normal manner by receipt and issue vouchers showing all the relevant details of the transactions.

(d) – Stores Accounting Procedure (regs 203-220)

203. Stores ledgers

- (1) A stores ledger must be kept in respect of every store to record for each item in stock, the quantity and in the case of unallocated stores, the value of all receipts, issues and balances.
- (2) This ledger shall be in bound form with each page bearing a printed serial number, but with the prior written authority of the Accountant-General the ledger may be kept in loose-leaf form using ledger sheets or cards or in electronic form or in such manner as has been approved by the Accountant-General.
- (3) Subject to subregulations above the loose-leaf sheets or cards will be controlled in the manner outlined in these Regulations.

204. Maintenance of separate folio of ledger

- (1) Whether in electronic, bound or loose-leaf form a separate folio of the ledger that may be maintained for each item in stock.

- (2) The folio will record the name of the item, the bin or other location reference and the unit of quantity in which issues shall be made and receipts will always be brought on charge in that unit and each folio must be recorded the maximum quantity of stock which may be held, the balance at which provisioning action is to be taken and the minimum ordering quantity, such items being determined by the Accounting Officer in the light of experience of the quantities of the items required and the rate at which they are used.

205. Ledger folios to be indexed alphabetically

- (1) The ledger folios shall be indexed alphabetically for ready reference and such index may be amended whenever the totals and balance on one folio are carried forward to another folio.
- (2) A reference to the new folio must be made on the completed folio and similarly a reference to the completed folio on the new folio.

206. Ledgers may be opened

- (1) New stores ledgers may be opened only when the existing records have been fully completed but when new ledgers are opened the folio numbers in the old ledgers must be cross-referenced with the equivalent folios in the new ledgers.
- (2) Upon opening of ledgers the opportunity shall be taken to rectify any errors in the alphabetical arrangement of the records.

207. Recording of balances carried forward

- (1) Balances carried forward in the new stores ledgers shall be such as would confirm to the balances recorded in the old stores ledgers and when, for any reason, it is considered necessary to open new stores ledgers with balances based on the physical stocks on hand the full circumstances must be reported to the Permanent Secretary, whose prior authority must be received before the new records are taken into use.
- (2) In such circumstances a Board of Survey must be appointed in the manner prescribed in regulation relating to stock verification procedure to carry out a full physical check of the stores balances, which will constitute the opening entries in the new ledgers. Any shortages between these balances and the closing balances of the old ledgers will be dealt with in accordance regulations relating to loss or shortage of stores.

208. Ruling off of stores ledger

All stores ledgers must be ruled off, totalled and balanced at the end of each financial year and the balance carried forward to the new financial year.

209. Entries to be made in typescript

- (1) All entries in stores ledgers must be made in typescript, ink or ballpoint pen or by such other method as may be approved by the Accountant-General.
- (2) Entries of receipts and issues must be made and the date must be quoted, voucher number and other relevant details and entering the resultant balance after taking account of the receipt so that at all times it correctly reflects the amount held in stock.
- (3) No erasure or alteration may be made to any entry in the ledgers, and where any correction shall be necessary, it shall be done in accordance with regulation relating to alterations and corrections.

210. Amendment of stores ledger

- (1) If any amendment needs to be made in the stores ledger which arises from an error in a previous entry, the correcting entry must be made immediately after the entry of the latest transaction.
- (2) A reference must be made to the ledger folio, date and voucher number in respect of which the original error occurred and similarly a reference must be inserted against the erroneous entry showing the folio and date of the correcting entry.

211. Bin or tally cards

- (1) Except in small stores where the storekeeper is responsible both for the custody of the stocks and the maintenance of the stores records, in addition to the stores ledgers, a bin or tally card will be kept in respect of each item of stock.
- (2) Bin cards shall be maintained by the storekeeper, who will record each receipt and issue as it occurs, entering the serial number of the relevant receipt or issue voucher and also posting the resultant increased or reduced balance of the stock.

212. Stores vouchers and use of issue vouchers

- (1) All receipts and issues of stores must be supported by vouchers which must be capable of being readily identified in sequence, either by the printed serial number on the voucher form and, or by being numbered consecutively by the receiving or issuing store as appropriate.
- (2) Receipt vouchers may vary according to the source of the stores, but generally and especially for allocated stores, receipt vouchers will be either the copy of the voucher sent by the issuing store or, where stores are purchased, the receipt voucher may be a copy of the bill or invoice or in the case of local purchases, a copy of the Local Purchase Order.
- (3) In the case of stores which are manufactured within the Government, the receipt voucher could be a stores conversion voucher. As each receipt voucher is received it must be given a serial number running consecutively through the year and suffixed with the year concerned.
- (4) Issue vouchers shall be supplied in a form approved for each type of issue and bear printed serial numbers and they must be used in the sequence of those numbers such as 1/93, 2/93 and so forth.

213. Use of stores vouchers

- (1) Stores vouchers must be prepared in typescript, ink or ballpoint pen or by such other means as the Accountant-General may approve and where appropriate good carbon paper must be used to ensure that all copies are legible.
- (2) All relevant details, authorities and references must be entered on the vouchers and no alteration of figures and no erasures must be made on the vouchers.
- (3) Correction of errors must be made by striking out the erroneous figures and writing the correct figures above so that corrections are initialled by both the issuing and receiving officers.
- (4) Should it be necessary to cancel any voucher all copies shall be retained in the book.

214. Stores requisitions and issue vouchers

- (1) When an officer requires supplies from a store or when a store requires supplies from another store they must be applied for on a stores requisition, which must be signed by an officer authorised in writing by his Accounting Officer to do so.
- (2) The original copy of the requisition shall be submitted to the officer in charge of the store from which the supplies are required.

- (3) Where that officer is satisfied that the requisition is in order and that the stores are in stock, he shall prepare an issue voucher showing the items and quantities to be issued, signing the voucher as authority for the issue of those stores.
- (4) The requisition form will be attached to a copy of the issue voucher.
- (5) In cases where a combined requisition and issue voucher is used, the quantities issued shall be entered in the relevant column of the requisition, which may then serve as an issue voucher.

215. Control of stores issue vouchers, etc.

- (1) As precaution against irregularity and fraud, officers preparing and signing stores issue vouchers must ensure that no blank spaces are left in which further unauthorised issues could be inserted later and a diagonal line must be drawn across any space remaining after the last item on the voucher.
- (2) The quantity of each item to be written in words as well as figures and in addition a "hash" total, being a grand total of all quantities of all items, should be written in words and figures at the bottom of the voucher.

216. Posting of issue voucher to stores ledgers

- (1) The issue voucher shall be posted to the stores ledger, the folios of the stores ledger to which the issues have been posted being recorded against each item on the voucher and the serial number of the voucher entered against the relevant issue in the stores ledger.
- (2) The balance column of the ledger will be completed so that it continues to record correctly the balance which will remain in stock when the issue has been made.

217. Posting of bin or tally cards

- (1) The issue voucher book shall next be passed to the storekeeper who will withdraw the items from stock, as he does so posting his or her bin or tally cards with the quantities issued and the balances remaining in stock.
- (2) Where the stores are being collected he or she will obtain the signature of the recipient on one copy of the issue voucher and if they are being dispatched he shall attach a copy of the consignment note to a copy of the issue voucher.
- (3) The remaining copies of the voucher shall be forwarded to with the stores to the requisitioning store, where the original shall be checked and signed by the receiving officer, who may retain a copy as his or her receipt voucher and return the original.

218. Copy of voucher must "marry" the copy retained by officer

On the return of the receipted original copy of the voucher the officer in charge of the issuing store must compare it with the copy which he retained to ensure that it has not been altered in any manner and if satisfied in this regard he shall "marry" or correspond to the original with that copy in support of the issue entries in his store ledger.

219. Prohibition for amendment of vouchers

- (1) The recipients of stores must not in any way amend a voucher for items issued by another store and where a discrepancy is found the recipient shall return the voucher, qualifying his receipt and inviting attention to the discrepancy in a memorandum, or in appropriate cases by the issue of a Discrepancy Note.
- (2) In the event of stores being issued in excess of the quantity on the voucher, the excess must be returned to the issuing store.

220. Posting of items in stores ledger

- (1) When stores received have been checked against the receipt vouchers and the vouchers given a serial number each item will be posted without delay to the appropriate folio of the stores ledger.
- (2) The number of the ledger folio to which each item has been posted will be entered on the receipt voucher against the item concerned and the vouchers then filed in order of the serial numbers accorded to them.

(e) – Unallocated Stores (regs 221-238)**221. General procedures to be accounted for by value and quantity**

- (1) The general procedures, safeguards, controls, stock verification procedures, set out in these Regulations shall apply equally to both allocated and unallocated stores.
- (2) Notwithstanding subregulation (1), unallocated stores are accounted for by value as well as by quantity and necessitate the keeping of records so as to determine the unit cost of each unallocated stores item and the reconciliation of the total value of the stocks of unallocated stores with the financial records.
- (3) Vouchers and ledger entries for unallocated stores must show the value as well as the quantity of the items concerned.

222. Authority for unallocated stores

- (1) The authority for a department to maintain a stock of unallocated stores is given by the National Assembly, which authorises the maximum value of the purchases which may be made in the Annual Estimates and the Permanent Secretary, who prescribes the maximum value of total stock which may be held at any one time.
- (2) In no circumstances Accounting Officers may exceed either of these maximums without proper prior authority.

223. Accounting for unallocated stores

- (1) An item shall be opened in an appropriate Vote which will be debited with the cost of the purchase of supplies in respect of a store. When stores are issued to a job, project or department, an appropriate revenue item under the same Vote and be credited with the value of the stores so issued, the contra debit being to the appropriate item of expenditure for that job, project or department.
- (2) If stores are sold for cash contractors under the terms of their contracts and the actual value of the stores themselves to such persons like shall be credited to the revenue item account for the store, any on costs charged being credited to a separate revenue item.

224. Calculation of value of unallocated stores

- (1) The value of unallocated stores for accounting purposes shall be the total cost of acquiring the stores and will include not only the price paid for the articles themselves, but also all freight, insurance, handling charges, transportation.
- (2) The costs will be debited to the unallocated stores item and brought into the calculation to determine the issue price of the stores.
- (3) No expenditure shall be charged against the unallocated stores item which is not taken into account exactly in the costing of the value of the stores and arbitrary additions to store's values must not be made to cover undefined general stores expenses unless the costings are made on a completely

accurate basis the necessary reconciliations of the unallocated stores accounts with the financial records cannot be achieved.

225. Stores received book

- (1) In each unallocated store the stores accountant must maintain in addition to the unallocated stores ledger a stores received book in which he or she must enter all items received, quoting the date of receipt and the serial number of the receipt voucher.
- (2) Stores purchased from an unallocated stores item be issued for use without first being entered in the stores received book and without being taken on charge in the unallocated stores ledger.

226. Costs of items, invoice price freight, etc., to be entered in stores book

- (1) Full details of the cost of the items, invoice price, freight, insurance, handling charges, transportation, must be entered in the stores received book as the various bills and charges come to hand and the cost of the items will be calculated by taking all these charges into consideration.
- (2) Where composite charges are raised covering more than one stores item, the cost will be apportioned between the items pro rata to the invoiced prices of the items.
- (3) The total of the costs and charges taken to account in the stores received book must be reconciled monthly with the expenditure shown in the unallocated stores item.

227. Calculation of issue price of unallocated stores

- (1) Except where departments have been authorised to adopt a fixed price vocabulary, the issue price per unit of quantity of each stores item, the cost will be determined by dividing the total cost as defined by the number of units of quantity.
- (2) Where this results in a price containing a fraction of a cent, the price will be fixed at the next highest whole cent and such price shall become the issue price of all such stores items until further purchases are made and must be shown clearly on each folio of the unallocated stores ledger for that item of stores.

228. Revision of issue price

- (1) Unless every element of cost shall remains constant, the issue price must be revised whenever purchases are made to replenish any particular stores item.
- (2) The revised issue price may be obtained on an averaging basis by adding the total cost of the new stock to the total value of the existing stock of that stores item and by dividing the resultant total sum by the combined total of units of the old and new stocks.

229. Issues of unallocated stores

- (1) On the receipt of unallocated stores which are required to be issued before the cost is known, the quantities only will be entered in the stores ledger.
- (2) Issue vouchers may be prepared in the usual manner for the quantities issued and the words "price to follow" entered in the value column of the voucher.
- (3) When the necessary information regarding the cost of the stores is received, the entry in the stores ledger must be completed and supplementary vouchers notifying the cost sent to the receiving officer, a reference to this voucher being shown against the issue entry in the stores ledger.

230. Accounting for returned stores

- (1) Unused stores which are returned to an unallocated store must be taken on charge with the general stock at the current issue price irrespective of the price at which they were originally issued and

the work or service from which the stores have been returned will be credited and the unallocated stores revenue item debited with the value of the stores at the current issue price.

- (2) Part — worn stores returned to unallocated store must not be taken on charge with the ordinary stock but must be kept in a "returned store" and entered in an allocated stores ledger.
- (3) The store should be offered free of charge to departments requiring stores of this nature, before issuing similar new items from the unallocated store.

231. Issues of unallocated stores

- (1) Issues of unallocated stores will be made against requisitions in the manner described in these Regulations except that in addition to the quantities of store items issued, entries on the issue vouchers and in the stores ledger will record the value of the stores issued. The stores accountant will enter the issue vouchers on monthly summaries of issues which will be prepared in duplicate, from the copies of the vouchers.
- (2) The monthly summaries will show the issue voucher numbers and the value of the issues under the various Votes, sub-heads and items of expenditure or other accounts to which they have been debited.

232. Acknowledgement of debit of value of stores

- (1) On receipt of the stores the receiving officer must not only post the quantities received to the stores ledger, but he shall also accept the debit of the value of the stores to his Vote Control Register.
- (2) When returning the original copy of the issue voucher to the issuing store, he shall not only sign for the receipt of the stores items but must also certify the voucher as follows—

"Debit accepted and posted to Vote Control Register, Vote _____ Sub-Head _____ Item _____".

- (3) On the return of the receipted original copy of the issue voucher to the unallocated store, the stores accountant shall satisfy him that it has been properly received and certified and will check it to the entry in the monthly summary to ensure that the allocation of the charges is correct.

233. Monthly issue of summaries

- (1) At the end of each month the monthly summaries of issues must be totalled and the totals posted to the Vote Control Register as a credit to the unallocated stores account.
- (2) The original copies of the summaries will be submitted to the Accountant-General, who will effect the necessary adjusting entries in his accounts, debiting the various expenditure votes sub-heads and items of the services which have received the stores and crediting the unallocated stores revenue item.

234. Preparation of separate summaries

- (1) Separate summaries in a similar form will be prepared and submitted to the Accountant-General in respect of unallocated stores converted or returned to stock and other stores adjustments.
- (2) Summaries shall show the Votes, sub-heads and items or other accounts to be debited or credited and the corresponding amounts to be credited or debited to the unallocated stores items.
- (3) The Accountant-General shall use these summaries to make the necessary entries in his accounts.

235. Issue of unallocated stores, etc., use of summaries

- (1) Issues of unallocated stores to other than Government departments must be paid for in advance and entered on a separate monthly summary of issues, on which they shall be recorded against each

issue voucher the proceeds of the sale and the serial numbers of the revenue receipt issued for those proceeds.

- (2) The revenue receipt numbers must also be recorded on the original copies of the issue vouchers.
- (3) The summaries shall be required for control purposes only and are not posted in the Treasury accounts, as entries in the accounts will already have been made when accounting for the revenue receipts.

236. Accounting for surplus stores

When as a result of a survey or departmental stocktaking, unallocated stores are found to be surplus, the surplus quantities shall be brought on charge in order to facilitate the reconciliation of the Tabulated Summary and the financial records and the value thereof credited to revenue and debited to the unallocated stores expenditure item.

237. Procedure at end of financial year

- (1) As soon as possible after the end of each financial year stock valuation lists shall be prepared as at the close of the financial year, showing the numerical and financial balances of each stores item extracted from the unallocated stores ledgers.
- (2) The valuation lists shall be totalled to show the value of the stock in hand at the close of the financial year and signed by the Accounting Officer.
- (3) If the value of the stock exceeds the approved standard stock, the Accounting Officer shall advise the Permanent Secretary explaining the reasons for the excess and giving a forecast of future requirements for consideration of whether an increase in the standard stock limit would be appropriate.
- (4) Where the excess is not authorised fresh purchases shall be restricted until the stock balance falls within the approved limit.

238. Tabular summary of unallocated stores

- (1) In conjunction with the closure of the accounts for each financial year, each Accounting Officer responsible for an unallocated stores account will submit to the Accountant-General, with a copy to the Controller and Auditor-General, a Tabular Summary of unallocated stores for inclusion in the annual statements of account. Each Tabular Summary will show:
 - (a) Stock in hand at the start of the financial year.
 - (b) ADD purchases, returns and charges as charged to the unallocated stores item in the amount appearing in the Treasury Accounts.
 - (c) DEDUCT. Issues to votes and accounts as credited to the unallocated stores revenue item.
 - (d) DEDUCT. Proceeds of sales of unallocated stores as credited to revenue (excluding on — cost).
 - (e) ADD/DEDUCT. Adjustments for stores not paid for in the year in which received.
 - (f) ADD. Surplus stores taken on charge.
 - (g) DEDUCT. (X) Losses and deficiencies written off and charged to the Losses item of expenditure. (Y) Losses not yet charged to expenditure.
 - (h) ADD or DEDUCT the balance on the Price Adjustment Account.
 - (i) Stock in hand at the close of the financial year.

- (2) Subject to this regulation, there shall be explanations as shown hereunder:

EXPLANATION 1:

- (i) Items (e), (f), (g) and (h) must be supported by statements listing the transactions taken into account in the Tabular Summary, and in the case of Item (h) the reference to the authorities given for writing-off the stores must be quoted.

EXPLANATION 2:

- (ii) Any variations between the figures at items (b), (c), (d) and (h), (x) and the figures in the Treasury accounts and the figure at (j) and the totals of the stock valuation list, must be accounted for on reconciliation statements signed by the Accounting Officer and attached to the Tabular Summary.

Part XV – Stock verification (regs 239-249)

239. All stocks to be verified annually

In addition to the departmental internal inspections which are designed to satisfy Accounting Officers that they are adequately discharging their own responsibilities for the correctness of stocks and stores records, the stock holdings of all public stores must be verified at least once a year by continuous stocktaking by an independent stock verifier or by Boards of Survey appointed by the Permanent Secretary.

240. Duties of stock verifier

When a stock verifier is appointed he shall be employed specifically for the purpose of stock verification and he must not be diverted to other duties, even temporarily, to cover shortages of staff or abnormal pressure of work.

241. Stock verifier to visit stores

- (1) The stock verifier shall visit stores without prior warning. Except in the case of relatively small stores which may be verified completely in a short period of time, he shall nominate a section of the stores for examination and within that section he shall place pre-prepared notices on the bins, stocks or shelves under examination advising that no receipts or issues should be made without his sanction.
- (2) In selecting the items for examination, the stock verifier, without ignoring less attractive items such as nails, nuts and bolts, and such other similar items shall give precedence to checking very attractive items, such as electric appliances, expensive medicines, textiles, etc., and attractive items, such as clothing, cutlery, tools.

242. Stock verifier to count and record

- (1) Without prior reference to any stock records, official or unofficial, the stock verifier shall count and record the balance of each item falling under his or her examination.
- (2) To ensure that storekeepers cannot attribute to the stock verifier any responsibility if stores are found to be deficient, the examination must be made in the presence of the storekeeper, but not with his assistance.

243. Stock verifier to check figures

- (1) The stock verifier shall check his figures against the balances of the items concerned shown in the bin or tally cards and in the stores ledgers and where the figures agree, the stores records will be noted accordingly and signed, the balances being recorded in red ink.

- (2) If there are very minor differences which could be attributed to "working tolerances" that is, where items are issued by weight or measurement and minor cumulative errors may arise, the stores records may, with the concurrence of the storekeeper and the stores accountant, be amended to agree with the counted figures, an explanatory note being made in the stores records and signed and dated by the stock verifier.
- (3) Where there are discrepancies which cannot be attributed to "working tolerances" the stores ledger shall be checked for obvious errors and if the discrepancies cannot be resolved in this way the actual stock will be rechecked.

244. Stock verifier to consider if stock are unserviceable or obsolete

- (1) In addition to checking stock balances the stock verifier shall consider whether any of the stocks are unserviceable or obsolete, whether the maximum stock quantities, provisioning action figures and minimum ordering quantities might require amendment.
- (2) The stock verifier shall also inspect the store to ascertain if there are any defects in the store accommodation, untidiness, bad arrangement of stocks, failure to separate new, part-worn and unserviceable articles, inadequacy of protection from loss or damage, theft or fire, excessive or inadequate stocks, items not being used depreciation through lack of proper preservative measure, items in store which are not recorded in the stores ledgers, etc.

245. Report by stock verifier

- (1) Immediately after completion of his inspection the stock verifier will prepare a report in quintuplicate giving details of his findings.
- (2) The report shall include a stock verification list in respect of all unexplained discrepancies not covered by working tolerances and shall also include in memorandum form his findings on the matters referred to preceding Regulation.
- (3) The stock verifier shall retain one copy of the report for his own record and send one copy each to the Accounting Officer concerned, the Permanent Secretary, Accounting General and Controller and Auditor-General.
- (4) The Accounting Officer will within one month of receipt of the report, inform the Permanent Secretary, Accounting General and Controller and Auditor-General of the action which he has taken on the findings of the stock verifier.

246. Appointment of Boards of Survey

- (1) In cases where stocks of any store have not been fully checked during a financial year by a stock verifier, and in stores where, even though such a check has been made, exceptionally valuable or attractive items are held, the Permanent Secretary will as soon as conveniently possible after the close of the financial year, appoint a Board of Survey to check the stock holdings to such extent as he or she may consider necessary.
- (2) The appointment and constitution of such Boards of Survey will be similar to those prescribed in respect of Boards of Survey of cash, bank balances and stamps.

247. Conduct of examination by Boards

- (1) The Board of Survey will conduct its examination in a similar manner to that prescribed in respect of the examination of stocks by a stock verifier, the extent of the Stocks surveyed being in accordance with the terms of the Board's appointment by the Permanent Secretary.
- (2) On completion of their examination the Board will submit a report, signed by the Chairman and members and the report shall be distributed and dealt with in a similar manner to reports under these Regulation.

248. Hand-over of duties of stores officers

- (1) Accounting Officers must ensure that whenever one officer relinquishes to another the whole or part of his responsibilities for any store, the stocks and stores ledgers are properly examined and the handover conducted in such a manner that there can be no doubt or ambiguity as to the items handed over and taken over.
- (2) The procedures for handing over and taking over shall *mutatis mutandis* be similar to those applicable for the hand-over of cash, bank balances and stamps, the distribution of the copies of the handing-over statement.

249. Responsibility of officer taking over charge of stores records

- (1) The officer taking over shall examine the stores records to ensure that they are entered to date and are *prima facie* in order and shall inspect the stocks and stores accommodation and satisfy himself that they are correctly maintained.
- (2) Wherever possible he will make a detailed check of all items of stock against the balances in the stores ledger, but where owing to the extent or nature of the stock it is impracticable, he may make a random sample check of the stock on hand, placing particular emphasis on the verification of valuable and attractive items.
- (3) A list of the stores items actually checked and the results of the check, signed by both officers, shall be appended to the handing-over statement, together with an explanation by the outgoing officer of any discrepancies.
- (4) Where such discrepancies are reported or wherever the handing-over statement indicates any fault in the recording, custody or proper maintenance of the stores, the Accounting Officer will within one month of the hand-over inform the Accountant-General and Controller and Auditor-General of the action which he has taken in the matter.

Part XVI – Loss, write-off, condemnation and disposal of stores (regs 250-257)**250. Losses of stores**

- (1) The procedure to be taken on the discovery of any loss or shortage of stores or other Government property, the manner in which enquiries into the loss or shortage are to be conducted, and the procedure for surcharging or otherwise disciplining any officers held to responsible are prescribed in the proceeding Part.
- (2) In the context of stores and other property, losses will include any damage or deterioration which cannot be attributed to fair wear and tear.

251. When accounting losses of stores

- (1) In accounting for losses of stores the following action shall be taken:
 - (a) accidental losses for which no officer is held financially responsible and same shall be treated as hereunder:
 - (i) in the case of allocated stores the loss should be written-off ledger charge, the issue entry being supported by a voucher quoting the authority for the write-off;
 - (ii) in the case of unallocated stores, action similar to that at (i) should be taken such that an appropriate losses item of expenditure should be debited with the ledger value of the stores and the unallocated stores expenditure item credited with a like amount to enable reconciliation of the Tabulated Summary;

- (b) losses which are due to the neglect or fault of an officer and for which he or she is held financially responsible and same shall be treated as hereunder:
 - (i) In the case of allocated stores the loss should be written-off ledger charge as described in (a)(i). A personal advance, account opened in the name of the officer held financially responsible, will be charged with the value of the loss and the appropriate of the revenue item credited with a like amount. Any balance on the advance account which cannot be recovered must be written-off under proper authority and charged to the relevant losses item;
 - (ii) in the case of unallocated stores similar action to that at (i) shall be taken, except that credit for the value of the loss will be taken to the unallocated stores expenditure and not to revenue.

252. Write-off of stores

- (1) Accounting Officers may, on their own authority, write off minor items of stores which have been accidentally lost or broken beyond repair such as china, glassware, small tools, or perishable items which have become unserviceable, provided that no question of fraud, theft or negligence is involved and the value of the article in any case does not exceed a specified amount which may be prescribed.
- (2) In each case of minor articles lost or broken, the Accounting Officer may order that the cost of the article should be made good by the officer concerned.
- (3) A quarterly schedule of all such items written-off or paid for under this Regulation or a nil return, if appropriate as at the end of the financial year will be sent by each Accounting Officer to the Permanent Secretary, with copies to the Accountant-General and Controller and Auditor-General.

253. Authority of Permanent Secretary in writing-off

Except for minor items, the authority of the Permanent Secretary is required for the writing-off ledger charge and disposal of all unserviceable or obsolete stores, vehicles, plant, equipment.

254. Condemnation of unserviceable stores, etc.

- (1) Where it is considered that stores, vehicles, plant, or equipment, have reached the end of their useful life or are beyond economical repair or are unserviceable for any other reason or have become redundant through obsolescence they must be retained until a sufficient quantity has accumulated to merit the convening of a Board of Condemnation to inspect them.
- (2) Lists of the items should be prepared giving details of articles and where appropriate their age and approximate value, four copies of the lists being submitted by the Accounting Officer to the Accountant-General with the request that a Board be appointed to inspect the stores, and to make recommendations as to their condemnation and disposal.
- (3) Sufficient space must be left on the lists for the projected Board to record its opinion and recommendations against each item thereon.

255. Appointment of Board of Condemnation

- (1) The Accountant-General may, if he thinks fit, appoint in writing a Board of Condemnation, comprising at least two officers, one of whom will be designated as Chairman, to inspect and report on the items.
- (2) The Chairman shall be supplied with the four copies of the list of items to be inspected and where they are of a mechanical or technical, nature, at least one of the officers appointed must be suitably qualified to express a technical opinion on the state of the items.

- (3) Except where this consideration makes it unavoidable, no officer concerned with the custody or use of the items should be appointed to the Board. Should an officer appointed to the Board be unable to serve on it, he shall notify the Accountant-General forthwith, stating the reason for his inability to serve and where the reasons given are acceptable to the Accountant-General a replacement officer will be appointed.

256. Board to conduct business in presence of storekeeper

- (1) The Chairman of the Board shall arrange with the Accounting Officer concerned the place and time at which the Board may convene and the Accounting Officer will ensure that the storekeeper or other officer responsible for the items concerned is available and present throughout the Board's inspection.
- (2) The Board shall inspect the items submitted for condemnation, check them against the lists submitted by the Accounting Officer and any technical information available and consider whether the stores have become unserviceable due to fair wear and tear, having regard to the anticipated life of such items.
- (3) The Board shall record its opinion, recommendations, suggested method of disposal, etc., against each item on the four copies of the list and forward the lists with a covering report signed by the Chairman and members of the Board, to the Accountant-General.
- (4) The covering report shall draw attention to any items which are not considered to be unserviceable or which could be re-used in another context and also to any case where in the Board's opinion, unserviceability has arisen through neglect, misuse, inadequate maintenance, improper storage, etc.

257. Unwanted serviceable stores, etc.

- (1) Stores, vehicles, plant, equipment, or such items which although serviceable are no longer required by the Government, if they are sold, must be disposed of by public auction or by tender after public advertisement, unless the specific approval of the Permanent Secretary has been obtained for them to be sold by other means.
- (2) The voucher in respect of the proceeds of the sale must be supported by the auctioneer's account or tender document. In the case of sales by auction the amount brought to account will be the net amount realised after the deduction of the auctioneers commission.

Part XVII – Sale, hire and loan of stores, plant and equipment (regs 258-262)

258. Sale of stores, etc.

- (1) With the exception of uniforms and equipment which may be sold to officers of the uniformed services, and items which have become unserviceable or which are no longer required for public purposes, Government stores, plant or equipment will not normally be sold to Government officers or to the public. Such sales shall only be made where they fall within the terms of a formal Government contract such as materials sold to a Government works contractor or are made in accordance with a standing arrangement or otherwise with the prior written authority of the Permanent Secretary, which shall be given only in exceptional circumstances when no other source of supply is readily available and the Accounting Officer concerned is satisfied that the items can be spared.
- (2) When authority has been obtained for the sale of stores other than within the terms of a contract or standing arrangement, no stores shall be supplied to the purchaser until payment in full has been received. Any Government mark or crest appearing on the stores must be obliterated before the stores are sold.

259. Computation of costs of government property

- (1) The price of unused stores, plant or equipment sold either to Government officers or to the public will be the gross cost of the article, including all charges for transport, handling, plus an on-cost charge of 25% to cover administrative costs and customs duty.
- (2) In the case of unallocated stores the gross cost price must be credited to the unallocated stores revenue item and in the case of allocated stores it must be credited to the revenue item for the sale of stores. In both cases the on-cost must be credited to an appropriate revenue item.
- (3) When the items are sold the issue voucher taking them off ledger charge must quote reference to the authority for the sale and to the revenue receipt issued in respect of the proceeds of the sale. The number of the issue voucher must similarly be quoted on all copies of the revenue receipt.

260. Hire or loan of stores, etc.

- (1) Except where an authorised procedure exists and standard hire charges are in operation, Government stores, plant or equipment may only be loaned or hired out to Government officers or to the public in very exceptional circumstances and with the prior written authority of the Accounting Officer.
- (2) Any hiring out shall be supported by an agreement signed by the hirer on a form approved by the Attorney General and the hire charges must be paid before the items are released.

261. Loaned or hired items to be taken off ledger or inventory

- (1) Items loaned or hired out shall be temporarily taken off ledger or inventory charge by means of a stores issue voucher, on which must be quoted reference to the authority for the loan or hire and to the revenue receipt in respect of the hire charges.
- (2) The items shall be posted to a Loan and Hire Register maintained for the purpose and showing the date of the loan or hire, the person to whom it was made, the authority for the loan or hire, the number of the stores issue voucher and of the revenue receipt for the hire charges, the date on which the item is due to be returned, its actual date of return and the number of the stores receipt voucher by which the item has been brought back on ledger or inventory charge.
- (3) On the return of the items they shall be inspected by a competent officer to ensure that they are in good order, the cost of any deficiencies, damage or deterioration due to unfair wear and tear being charged against the borrower or hirer.

262. Inspection of loan and hire register to be initiated

- (1) The Loan and Hire Register shall be inspected at least monthly by the stores accountant and at least quarterly by a more senior officer.
- (2) The stores accountant shall ensure that the register is posted up to date, that proper authority exists for all loans and hirings and that the proper charges have been raised and that all items have been returned on the due date.
- (3) They will sign and date the register as evidence of their examination.

Part XVIII – Furniture, equipment, plant, vehicles, tools and livestock (regs 263-280)

263. Purchase of furniture equipment, etc.

- (1) All major items of furniture and equipment for either offices or Government quarters, plant, equipment, and larger tools for Government works, vehicles and launches, shall be purchased from capital expenditure votes provided for the purpose.
- (2) Except for standard or common-user items the purchases shall be debited direct to those votes and not passed through the unallocated stores account.

264. Accountability of non-expendable stores

- (1) All non-expendable stores have a "life" assigned to them and they are required to be retained until they are finally written-off and disposed of because they are either unserviceable or are of no further use to the Government.
- (2) To ensure that proper account is taken of all items, when they are issued from stores and taken off stores ledger charge they must be brought on charge in an inventory register or other record designed to suit the particular items concerned.
- (3) Whereas the overall responsibility for such items rests with the relevant Accounting Officer, the public officers to whom the stores are issued have the primary responsibility for their custody, maintenance, safeguarding and proper use until they are returned to store.

265. Furniture and equipment to be charged in master inventory

- (1) Furniture and equipment issued for use in offices shall be brought on charge in a master inventory, which will record under each category of item, the date and other details of the voucher or other document on which the items were received or issued, their serial numbers where appropriate and in the case of calculators, typewriters, their distribution to individual locations and the total quantity held.
- (2) The dates and other details of all movements of items and changes in the location of items must be recorded as they occur.
- (3) The master inventory shall and be kept at the Headquarters of the department or office concerned and in the case of furniture and equipment issued to quarters it will be kept by the Personnel Officer.

266. Individual location to be evidenced by two inventories

- (1) In respect of each individual location there shall be kept two copies of an inventory showing all items held at that location, one copy being kept with the master inventory and the other at the location itself.
- (2) The dates and other details of all receipts and issues of items to and from the location shall be recorded on both copies of the inventory as they occur.
- (3) The initial entries and all changes shall be validated on both copies by the signature of the officer having use of the items or where there is more than one officer, the most senior.
- (4) No item shall be removed from its location or from one location to another except on proper authority.

267. Physical check up of office, quarter, etc., against location inventory

When the occupant of an office, quarter or location, or other person having charge or use of the equipment or furniture changes, the items on charge shall be physically checked against the location inventories by the officer maintaining the master inventory and both copies signed by the incoming officer as evidence of his or her having taken over the items.

268. Physical check-up of items

- (1) Accounting Officers shall arrange for all items on inventory charge to be physically checked against both copies of the location inventories and the location inventories checked against the master inventory, at least once every six months.
- (2) The check shall be carried out by an officer having no responsibility for the maintenance of the master or location inventories or for the items being checked and the signature date shall be append to the records as evidence of his or her check.
- (3) Any deficiencies or damage not caused by fair wear and tear will be treated as a loss and dealt with in accordance with these Regulations while unserviceable items shall be withdrawn, replaced or otherwise dealt with in accordance with the preceding provisions of these Regulations.

269. Master inventory to apply in cases of vehicles, launches, etc.

Similar considerations shall apply in the case of vehicles, launches, plant including each item as road rollers, engines and earth-moving equipment and in such cases the master inventory must be designed to record not only the holdings of such items, but also all appropriate details such as the name of their manufacturer, their chassis, engine, number, and any ancillary equipment, spares, tools.

270. Treatment of major items

As well as those for major items of furniture, office equipment, vehicles, launches, plant, etc., inventories and distribution records require to be maintained of smaller items of plant, tools etc., in a similar manner in the preceding provisions.

271. Library fund office books to be charged in catalogues

- (1) All books purchased for official libraries or offices shall be brought on charge in a catalogue or inventory and should be given an accession number and books be retained in a suitable room or bookcase under lock and key, under the control of a responsible officer nominated as librarian.
- (2) Books may be issued on loan to officers requiring them for reference or study for official purposes.
- (3) A loan register must be maintained showing the accession number and title of the book borrowed, the name, designation and signature of the officer borrowing it the date it is borrowed and the date by which it must be returned.
- (4) The period of loan shall not exceed one month, renewals being permitted if no other officer requires the book, and the librarian shall insure that books are returned within the specified period.

272. Library and stock of books

- (1) Accounting Officers shall course the library records and stock of books to be checked at least once in each quarter by an officer other than the librarian.
- (2) Evidence of the check shall be recorded in the catalogue or inventory and signed and dated by the checking officer.
- (3) Any deficiencies or damage not coursed by fair wear and tear will be treated as a loss and dealt with in accordance with Part G.

- (4) Worn or out-of-date books may be withdrawn and dealt with in accordance with the preceding provisions of these Regulations.

273. Accounting officers to keep inventories on livestock

- (1) Accounting Officers shall keep complete inventories of any Government livestock for which they are responsible showing the receipt, sale, transfer, death and progeny of the animals and the number on charge at any time.
- (2) Separate folios shall be kept for each different kind of animal and in addition thereto separate records must be kept for each animal, showing its history, breeding, illnesses, veterinary treatment.
- (3) The inventory entries and the individual records must be cross-referenced to one another.

274. Details of disposition of animals

- (1) When an animal is sold or otherwise disposed of, details including the dead or live weight as appropriate, disposal of the skin or hide, selling price, receipt number and date will be entered in both the inventory and the individual record.
- (2) The death of an animal shall be shown as disposal, wherever practicable the entry being supported by a certificate given by a veterinary surgeon stating the cause of death and disposal of the carcass.

275. Counting of animals

- (1) Accounting Officers shall cause the livestock to be counted at least once in each quarter by an officer not directly responsible for the animals.
- (2) The total of each kind of animal counted shall agree with the total of the individual records for that kind of animal. Evidence of the check will be recorded in the inventory and signed and dated by the checking officer and any shortage shall be treated as a loss.

276. Log books

- (1) In addition to the maintenance of inventories for vehicles, launches, plant, log books or operating records shall be maintained for each vehicle, launch and item of plant, recording its history, performance, servicing, overheads, repairs, in sufficient detail for periodic assessments to be made of its performance compared with its cost of upkeep.
- (2) In particular the log books or operating records will show details of the journeys or works performed, the signature of the officer authorising them, details of fuel, oils, spares, etc., used, dates and nature of servicing and repairs and lists of tools, spare wheels and other equipment carried on or associated with the vehicle, launch or equipment.

277. Details of journey, use of fuel, etc.

- (1) So far as practicable, details of a journey, such as the time of commencement, the route to be taken, shall be entered in the vehicle or launch log book before a journey starts whereas the remaining details, such as the time of completion, shall be entered as soon as the journey is finished, the entries being signed by the officer using the vehicle or the driver, as may be appropriate.
- (2) Unproductive journeys, such as special trips to obtain petrol, returned trips with the empty vehicles, must be kept to a minimum.
- (3) At the end of each month a summary will be entered in the log book showing the amount of fuel used during the month i.e. fuel in tank at the end of the month, the total mileage or running hours, and the fuel consumption.

- (4) The fuel consumption shall be compared with that normally anticipated for the type of conveyance or plant concerned and attention drawn to any apparently excessive consumption which might indicate either mechanical defect or theft of fuel.

278. Entries in the logbooks etc.

- (1) At least once in each quarter an officer other than the one using the conveyance must check that the log books have been properly entered, that all journeys have been correctly authorised, that no improper or unauthorised private use has occurred and that hire charges have been duly collected where appropriate.
- (2) He shall also check all the ancillary equipment, spares, tools on charge to the vehicle or launch and evidence of these quarterly checks shall be recorded in the log book and signed and dated.
- (3) Any deficiencies or damage not caused by fair wear and tear will be treated as a loss.
- (4) Unserviceable items will be withdrawn and replaced if necessary whereas checks shall be made of the log books of other working plant and equipment.

279. Use of Government conveyances

- (1) Journeys may only be made in Government vehicles or launches when use of the conveyance has been approved by an officer authorised by the Accounting Officer to give such approval and shall be conveyed to the officer in writing, with copies to the Accountant-General and Controller and Auditor-General.
- (2) The officers approving the journeys must ensure that the most economical conveyance is used, commensurate with the duty to be performed, and will satisfy themselves that the distances travelled, time taken, etc., are reasonable having regard to the conditions under which the work is undertaken.

280. Authority to use Government vehicle, etc.

- (1) Except with the express prior approval of the Accounting Officer, no Government vehicle or launch may be used by any person for travel from home to place of work or for any other private purpose.
- (2) Journeys mentioned under subregulation (1) shall be approved on a repayment basis at hire charges determined by the Permanent Secretary.
- (3) The unauthorised or improper private use of a vehicle or launch may be treated as involving theft of Government fuel and the fraudulent conversion of Government property to an officer's own use and constitutes a very serious offence, which may result in criminal or disciplinary proceedings being taken against an officer irrespective of his seniority.