Government of Seychelles

Accounting Manual

Version March, 2020

This manual is property of Ministry of Finance, Trade, Investment and Economic planning and replaces any accounting manual or financial instructions previously issued. Any Amendment to the manual must be authorised by Principal Secretary of Department of Finance.

Summary Table of Contents

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1. GENERAL

1.1.1. ***Purpose of this Accounting Manual***

(a) The main purpose and use of this Accounting Manual are to:

i. Provide procedures as to the format, content, movement and recording of Government accounts, with a view to better manage and control the public finances of Seychelles;
ii. Ensure that financial statements are in conformity with generally accepted accounting principles;
iii. Ensure that finances are managed with responsible stewardship;
iv. Ensure proper internal control for custody, safeguard and use of assets;
v. Ensure that all personnel with a role in management of fiscal operations of Ministries, Departments and budget-dependent Agencies (MDAs) uphold the policies in this Accounting Manual;
vi. Outline key roles, responsibilities and accountabilities of public officers;
vii. Ensure that all financial management and transactions, procurement and public investments are in accordance with the legal and regulatory framework; and
viii. Ensure that all Public Officers abide to the guidelines and regulations procedures governing public finance management.

1.2. Legal and regulatory framework and international standards

(a) This Accounting Manual is issued along with provisions of:

i. Public Finance Management Act, 2012 (PFMA);
ii. Public Finance Management (PFM) Regulations, 2014 (PFMR);
iii. Public Procurement Act, 2008;
iv. Public Service Order, 2011;
v. Public Investment Management Policy, 2017;
vi. Code of Conduct and Ethics (Handbook for Public Officers, June 2009);
vii. Public Debt Management Act, 2008; and
viii. Government Expenditure and Payment Policy, 2017.

(b) The Accounting Manual does not replace the legal and regulatory framework.

(c) This Accounting Manual replaces any accounting manual or financial instructions previously issued by Government of Seychelles. Where there is any inconsistency between any guideline or format previously issued and those prescribed in this Accounting Manual, the ones in this Accounting Manual shall prevail.

(d) Accounting Officers and Head of Accounts are to ensure that financial information is retained in accordance with Section 7 of PFMR.

(e) The PFMA and PFMR assign roles and responsibilities to the Minister of Finance, Principal Secretary of Finance (PSF), Comptroller General (CG) and Accounting Officer. This Accounting Manual serves as delegation of some of their tasks to public officers. A task assigned to an officer by this Accounting Manual shall not be delegated to someone else unless this Accounting Manual states ‘or his delegate.’

(f) In addition to this Accounting Manual, the following manuals are relevant for the accounting function:

i. Budgeting manual, including PPBB Guidelines;
ii. CoA manual;
iii. User manual TIS (Treasury Information System);
iv. User manual Visual AccountMate (VAM); and
v. Procedures Manual for Line Ministries, if available.

1.3. Reporting standards

1.3.1. *Government Finance Statistics (GFS)*

(a) GFS is a specialised macroeconomic statistical framework designed to support fiscal analysis and is issued by the IMF. GFS:

i. Provides the economic and statistical reporting principles to be used in compiling the statistics;
ii. Describes guidelines for presenting fiscal statistics within an analytic framework that includes appropriate balancing items; and
iii. Is harmonised with other macroeconomic statistical guidelines.

(b) The current framework is GFSM 2014. It follows on from 1986 and 2001 versions and is broadly consistent with Accrual-basis IPSAS standards.

(c) The GFS framework provides the structure for the Economic Segment of the COA of the Government of Seychelles.

1.3.2. *Classification of Functions of Government (COFOG)*

(a) COFOG is a detailed classification of the functions, or socioeconomic objectives, that government units aim to achieve through various kinds of expenditure. COFOG is integral to the GFS framework.

(b) The functions in COFOG are classified using a three-level scheme referred to as divisions, groups and classes. For reporting purposes to the IMF, the functional classification is currently mapped manually from the administrative segment in the Chart of Accounts (COA). Plans are made to include a functional segment in the Chart of Accounts as described in Section 3 *Chart of Accounts* of this Accounting Manual.

(c) Since the machinery of government differs between countries and within a country over time, COFOG statistics compiled on a standard consistent basis are valuable for international and historical comparisons.

1.3.3. *International Public Sector Accounting Standards (IPSAS)*

(a) The Annual Financial Statements (AFS) shall be prepared in compliance with the Cash-basis IPSAS. Part 1 of the standard addresses mandatory reporting requirements, and Part 2 sets out encouraged disclosures.

(b) This Accounting Manual aims to be compliant with Part 1 of the standard and provides guidance where the cash-basis IPSAS provides options between different accounting treatments. The Accounting Manual is intended as general information and is not a substitute for reading the entire standard.

(c) The Government aims to progressively add accrual-based disclosures in accordance with Part 2 of the standard to enhance the quality of available information and facilitate the move to accrual accounting.

1.4. Scope of application of the Accounting Manual

(a) All ministries, departments and budget-dependent agencies (MDAs) shall follow this Accounting Manual. This manual also applies to other public bodies as defined in Section 2 of the PFMA, including Public Enterprises covered by the Public Enterprise Monitoring Commission Act, 2013. However Public Enterprise may choose to adopt this Accounting Manual or can develop their own accounting manual.

1.5. Issuance, dissemination and maintenance

(a) The Principal Secretary of Finance may from time to time make amendments to this Accounting Manual. Public Accounts Management (PAM) shall prepare these amendments. The latest version of this Accounting Manual and related circulars can be obtained by sending a request to PAM@finance.gov.sc.

1.6. Organization of this Accounting Manual

(a) This Accounting Manual is divided into Sections which are broadly organised according to the workflow of the government.

1.7. Abbreviations and acronyms

AFS	Annual Financial Statements
BKTR	Bank Transfer
CBS	Central Bank of Seychelles
CG	Comptroller General
COA	Chart of Accounts
CS-DRMS	Commonwealth Secretariat-Debt Recording and Management System
GFSM	Government Finance Statistics Manual 2014
GGBA	Government General Bank Account
IMF	International Monetary Fund
IPSAS	International Public Sector Accounting Standards
IFRS	International Financial Reporting Standards
MDAs	Ministries, Departments and budget-dependent Agencies
MoFTIEP	Ministry of Finance, Trade, Investment and Economic Planning
PAM	Public Accounts Management Section of MoFTIEP
PFM	Public Financial Management
PFMA	Public Financial Management Act, 2012
PFMR	Public Financial Management Regulations, 2014
PIAM	Public Investment and Asset Management
PIMP	Public Investment Management Policy
PPBB	Programme Performance-Based Budgeting
PS	Principal Secretary of Finance
SRC	Seychelles Revenue Commission
TIS	Treasury Information System
TSA	Treasury Single Account
VAM	Visual AccountMate

2. ORGANIZATION OF THE ACCOUNTING FUNCTION

2.1. General

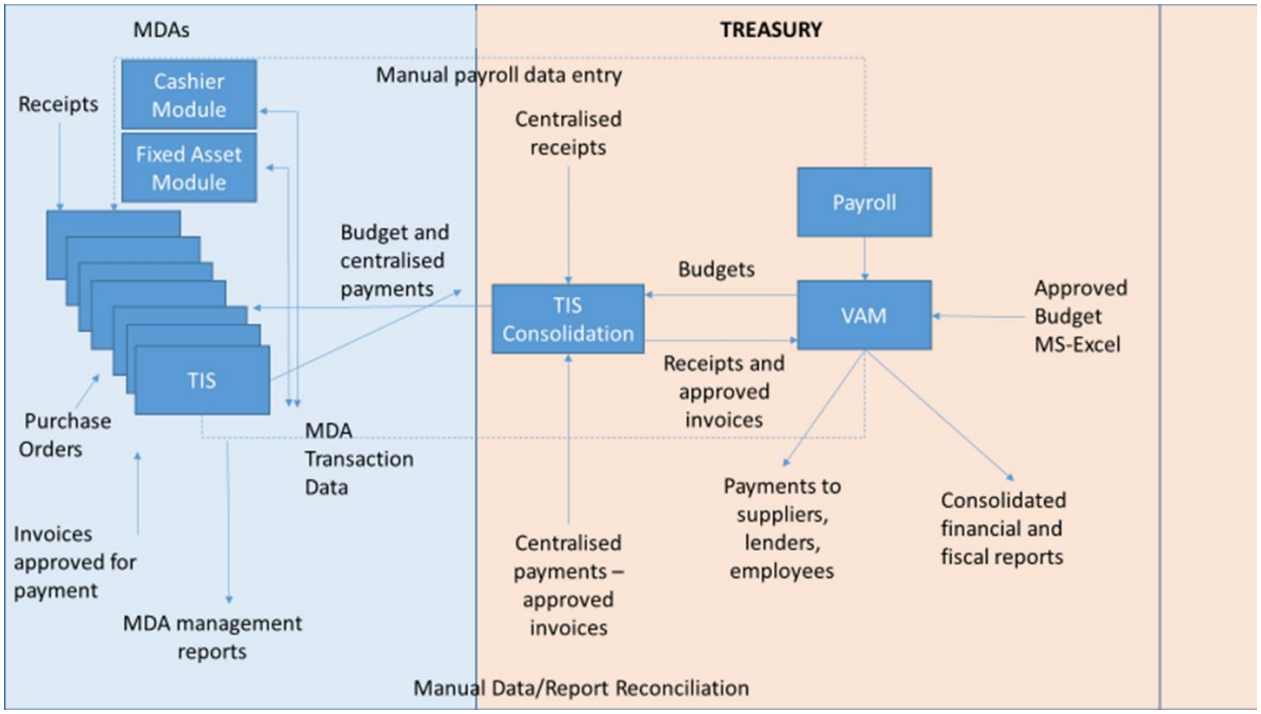
(a) This Section deals with the architecture of the accounting function and the duties and responsibilities of Accounting Officers, the Comptroller General, the Public Accounts Management Section and Heads of Accounts.

(b) For more duties and responsibilities of the Accounting Officers, the Comptroller General, and Head of Accounts, refer to Part IV and Part VI of the PFMR.

(c) The formalisation of duties and responsibilities should enable public officers of the MDAs to bring about a positive approach, greater involvement and accountability.

2.2. Architecture of the IT system of the accounting function

(a) IT systems supporting the accounting function:



2.3. Duties and responsibilities

2.3.1. *Accounting Officers*

(a) The core duties and responsibilities of the Accounting Officers are to:

i. Ensure the maintenance of all the required Books of Account and Registers, correct usage of all the required Accounting Forms, and preparation of all financial and other reports;

ii. Exercise strict supervision over officers under his authority entrusted with public moneys and taking necessary precautions by the maintenance of sufficient conducting regular checks against the occurrence of fraud, embezzlement or carelessness;

iii. Regularly check all cash, stores and fixed assets in his charge, maintaining the evidence of such checks and reconciling with the balances recorded in the books and registers;

iv. Immediate report to Comptroller General, who shall instruct Audit Division of the Ministry of Finance to conduct preliminary audits and depending on the findings, the Comptroller General shall notify the Police for further investigations; and

v. Provide proper facilities and access to enable the Chief Internal Auditor or the Auditor General to carry out their audit inspection in accordance with the provisions of law.

(b) Safeguard and protect programme or data held in a computer from any unauthorised access and any sort of manipulation.

(c) Maintain the overall responsibility for proper financial management and control. Delegation of duties in no way absolves an officer from personal responsibility for ensuring that there is proper financial and accounting control.

(d) Ensure efficient operations of all financial management and all financial related transactions like procurements, payment processing are as per the PFMR and are effectively done as per the service level agreements with the Ministries and other public institutions.

(e) Advise, guide and support all stakeholders on matters pertaining to the public financial management and services, including the programme based budgeting principles, concepts and practices.

(f) Assess the current and projected finances of respective Ministry or other public institutions

(g) Ensure all responsibilities as required by the PFMA and PFMR.

2.3.2. ***Comptroller General***

(a) The Comptroller General has overall responsibility for accounting, budgeting and cash management. The Comptroller General is the Head of Financial Planning and Control Division (FPCD).

(b) The core duties and responsibilities of the Comptroller General are to:

i. Specify and maintain a uniform Chart of Accounts;
ii. Ensure all transactions are recorded, accounted and reported according to the Chart of Accounts;
iii. Ensure that the Annual Financial Statements are prepared in accordance with the Cash-basis IPSAS (International Public Sector Accounting Standards);
iv. Ensure that the Government General Bank Account (GGBA) has sufficient resources to meet appropriated expenditure and direct charges;
v. Ensure immediate remittance of Government revenues into the GGBA; and
vi. Make payments from the GGBA, including transfers and subsidies, in accordance with the PFMA and PFMR;
vii. Ensure all other responsibilities as required by the PFMA and PFMR.

2.3.3. ***Public Accounts Management Section (PAM)***

(a) The Public Accounts Management Section exists within the Financial Planning & Control Division (FPCD) in MoFTIEP. The Section is headed by a Director for Public Accounts Management, who is the immediate supervisor for all accounting staff (including Head of Accounts) seconded to MDAs; the Director reports directly to the Comptroller General.

(b) The core duties and responsibilities of PAM are to:

i. Provide accounting services and ensure adequate staffing in all MDA accounts units;
ii. Provide administrative support and guidance to all accounts units on their roles and responsibilities;
iii. Ensure adherence to the PFMA and PFMR by all MDAs;
iv. Ensure that relevant financial and accounting compliance requirements and standards are being met;
v. Ensure internal financial policies and procedures, particularly those relevant to MDAs operations are documented;
vi. Support MDAs in the implementation and improvement of internal controls;
vii. Monitor that MDAs provide timely reports in accordance with Section 13.1 *In-Year Reporting* of this Accounting Manual to the Accounting Officer and MoFTIEP; and
viii. Monitor the financial activities of MDAs.

(c) It is therefore required that staff of the FPCD gains access to the offices of all accounts units in MDAs.

2.3.4. ***Heads of Accounts***

(a) The core duties and responsibilities of the Heads of Accounts are to:

i. Be primarily responsible to the Comptroller General for all the financial transactions and accounts of the government;
ii. Exercise the general management and supervision of all the accounting operations;
iii. Supervise the operations of Government accounts including expenditure and other disbursements, ensure that no payments are made which are not covered by proper authority and in the case of any apparent extravagance call the attention of Comptroller General;
iv. Prepare the financial statements and other returns within the time laid down by statutes and regulations and to render the accounts for audit;
v. Ensure once the audit is complete, that the Accounting Officer signs off the financial statements returns and receipts and management representations prior to their submission to relevant authorities;
vi. Submit all claims for expenditure incurred by the Government for payments; and
vii. Ensure that all the accounting regulations and instructions issued by the Comptroller General are understood and complied by the staff of the accounting department and other departments of the public body.

(b) Attend management meetings to provide the necessary financial information and be privy to discussions on the organization's operations, activities and other internal plans that will require planning and budgetary consideration.

(c) Ensure all responsibilities as required by the PFMA and PFMR.

2.3.5. ***Chief Accountant***

(a) The Chief Accountant is the head of the Treasury.

(b) The core duties and responsibilities of the Chief Accountant are to:

i. Collect banking of cash, cheque and bank transfer for all government revenue;
ii. Collect all Payment Vouchers and Revenue Vouchers for settlement of expenditures and collection of revenue for physical verification; for availability of budget, for correct signatories and for correct coding;
iii. Manage and reconcile the Government General Bank Account (Treasury Single Account, TSA);
iv. Monitoring of other Government bank accounts;
v. Prepare the Annual Financial Statements of Government;
vi. Record all revenue and expenditure effected through bank transfer;
vii. Maintain clear and transparent accounting of all public expenditure and receipts and reporting thereon;
viii. Ensure all budgets are downloaded in the respective MDA Treasury Information System (TIS);
ix. Manage a centralised payroll as well as compulsory deductions for all government employees;
x. Process and ensure prompt settlement of all government transactions as requested by all MDAs and the management of investment and liabilities of government; and
xi. Prepare Government Finance Statistics (GFS) reporting in accordance with GFSM 2014 and submit to IMF.

2.3.6. ***Public Budget Management***

(a) The core duties and responsibilities of Public Budget Management are to:

i. In collaboration with Account Department and Management at MDAs, prepare and monitor Programme Performance Based Estimates with clearly identified outputs and outcomes;
ii. Advise Comptroller General on fiscal and financial matters that have a bearing on the Government budget performance;
iii. Liaise with Head of Accounts to provide financial information to prepare actual monthly, quarterly and mid-year report to measure budget performance in terms of resources utilised and objectives achieved and to recommend and implement measures for adjusting material variances from the budget;
iv. Monitor monthly Debtors and Creditors Listing from MDAs;
v. Monitor non-tax revenue and liaise with MDAs for any review of fees;
vi. Assist other stakeholders in formalizing the macroeconomic frameworks for budget preparation;
vii. Assess and approve virements and early budget release;
viii. Assess supplementary request from MDAs for recommendation;
ix. Assist MDAs on weekly forecasts of their expenditures and revenues;
x. Initiate and undertake studies, research and policy reviews in the areas that are expected to have a major fiscal impact in the medium and long term; and
xi. Provides fiscal policy advice on public expenditure and non-taxation policy issues as well as advice on the financial implications of new policy proposals

2.3.7. ***Public Investment and Asset Management (PIAM)***

(a) The core duties and responsibilities of the PIAM are to:

i. Coordinate the implementation of relevant policies and guidelines promoting good asset management practices across government;
ii. Provide support to implementing agencies in the areas of administration, planning, procurement, financial management, disbursement of capital projects and management of government assets;
iii. Ensure that the Public Sector Investment Programme (PSIP) of government is executed accordingly as approved;
iv. Liaise with all MDAs to submit their procurement and project plans;
v. Ensure that all MDAs maintain up to date records of all fixed assets;
vi. Ensure that all government fixed assets are procured, used, maintained and disposed as per the established policies and guidelines;
vii. Monitor and make recommendations to ensure that maximum return is obtained from all procurements, use and disposal of government fixed assets;
viii. Make recommendations with regards to any updates to accounting policies and guidelines related to fixed assets;
ix. Ensure regular audits of inventory at MDAs are carried out;
x. Provide support to all MDAs with regards to implementation of established procedures and guidelines for asset management;
xi. Submit request for new projects for appraisal and evaluation to the Development Committee in line with the National Development Plan and act as a liaison between ministries and the committee;
xii. Prepare recommendations of the Development Committee for Cabinet of Ministers approval;
xiii. Ensure effective implementation and monitoring of capital projects accordingly by preparing progress reports on projects;
xiv. Advise Government of any adjustment, deviations or additional costs and works that may be required to ensure the costs are captured in the budget or remedial actions taken to prevent costs over run or delayed projects;
xv. Administer all contracts awarded for the capital projects to ensure proper costing to allow a timely payment disbursement schedule;
xvi. Ensure that the proceeds of project funds are used only for the purposes intended with due attention to considerations of economy and efficiency;
xvii. Maintain an integral accounting system for all transaction that allows for timely payment; and
xviii. Monitoring and evaluation of outcomes and results of all capital projects.

3. CHART OF ACCOUNTS

3.1. General

(a) This Section deals with the Chart of Accounts, its maintenance and other related issues. Section 3(a)-(e) of the PFMR requires the Comptroller General to establish and maintain a Chart of Accounts. For further details on the COA guide and values, refer to the Government of Seychelles User Manual for the new Chart of Accounts (April 2013).

(b) The COA is a critical element of the PFM framework for classifying, recording and reporting information on financial plans, transactions and events in a systematic and consistent way. It is an organised and coded listing of all the individual accounts that are used to record transactions and make up the ledger system. In particular:

i. The COA specifies how the financial transactions are recorded in a series of accounts that are required to be maintained to support the needs of various users and stakeholders; and

ii. The COA provides a coding structure for the classification and recording of relevant transactions (both revenue and expenditure) within the financial management and reporting system. For budget management purposes, the COA should meet the requirements of planning, controlling and reporting of budgetary appropriations as well as internal management needs of programmes and sections or units.

3.2. Chart of Accounts structure

(a) The Chart of Accounts aims to comply with the GFSM 2014 manual and captures information in an alpha-numeric format in five different segments as detailed below. Currently only four segments of the Chart of Accounts exist in the system and are used for the recording of transactions (administrative, economic, programme and source of fund). For reporting purposes to the IMF, the functional classification is currently mapped manually from the administrative segment in the Chart of Accounts.

Administrative					Programme			Economic							Functional			Source of Fund
Ministry	Department	Agency(Alpha)	Division	Section or Unit	Programme	Sub-Programme	Activity/ Project	Type	Main Category	Category	Sub Category	Class	Sub-Class	Details	Division	Group	Class	
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19
XX	X	X	XX	X	XX	XX	XXX	X	X	X	X	X	X	X	XXX	X	X	XXX

3.2.1. ***Administrative segment***

(a) This segment is a 7-character alpha-numeric code that allows a breakdown of data by government organizational structure for example by MDA. This code allows for an analysis of revenue and expenditure across the government organisation structure so that revenue and expenditure are easily identifiable by the organisation that either raised the revenue or spent the money. This code thus allows responsibility for these transactions to be allocated to a specific MDA.

Illustration of the coding structure for this segment as follows:

	Ministry	Department	Agency	Division	Section or Unit	Code
	XX	X	X	X	XX	
Ministry of Finance, Trade, Investment and Economic Planning	04	0	X	0	00	040X000
Department of Finance	04	1	X	0	00	041X000
Department of Economic Planning	04	2	X	0	00	042X000

3.2.2. ***Programme segment***

(a) This is a 7-character alpha-numeric code providing a breakdown of data by high level policy goals and objectives for example a consistent set of actions by a ministry in pursuit of specific objectives defined in terms of goals of general interest, as well as the expected outcomes and subject to evaluation. This code will provide an analysis of expenditure by which strategic priorities of government can be coded and performance monitored providing a feedback loop to improve delivery of programme benefits and achievement of government targets.

(b) The 7-character alpha-numeric coding structure is illustrated below:

(c)

Programme		Portfolio	MDA	Programmes	Sub-Programes	Project /Activity/ Type	Project No	Project/ Activity Description	Program Code
1. Governance Management & Administration		L	A	1	0				
1 Minister's Support Services		L	A	1	0				LA11
		L	A	1	0	1	00	Administration and Operations	LA10100
		L	A	1	0	2	00	Revenue Collection	LA10200
		L	A	1	0	3	00	Suspense Accounts	LA10300
		L	A	1	0	4	00	Minor Capital Outlays	LA10400
		L	A	1	0	5	00	GIT	LA10500
		L	A	1	0	6	00	PSIP	LA10600

3.2.1. ***Economic segment***

(a) This segment is an 8-character numeric code providing an analysis of transactions by type of transaction such as revenue, expenditure, asset or liability (including budget debt financing) and retained earnings for example revenue from taxation, salary expenses, acquisition and disposal of assets and liabilities, both financial and non-financial. This code provides an analysis of the economic impact of revenue and expenditure. It is these codes that enable the preparation of the financial reports when the balances on the individual accounts are allocated to a specific line on a specific report.

(b) The coding structure is illustrated below:

LINE ITEM		Economic classification						
		Type	Main Category	Category	Sub-Category	Class	Sub-Class	Details
	Item Description	X	X	X	X	X	X	XX
2	Expense	2						
	Compensation of employees	2	1					
	Wages and salaries	2	1	1				
	Wages and salaries in cash	2	1	1	1			
	Basic pay	2	1	1	1	1	0	00
	Basic pay -constitutional appointees	2	1	1	1	1	1	
	Medical fees	2	1	1	1	3	2	00
	Tuition fees	2	1	1	1	3	3	00

3.2.2. ***Functional segment***

(a) This is a 5-character numeric code providing breakdown of data across specified functions undertaken covered as specified, for example, Defence, Education, and Health. This code will provide an analysis of revenue and expenditure across all functions in accordance with the Classification of Functions of Government (COFOG). Currently, the Functional Segment is yet to be implemented in the system.

	Sub-segment	Description	Code
1	Division	General Public Services	701
	Group	Executive, Legislative Organs, Financial and Fiscal Affairs	7011
	Class	President's Office	70111
2	Division	Public Order and Safety	703
	Group	Police Services	7031
	Class	Special Security Unit	70312
3	Division	Health	707
	Group	Hospital Services	7073
	Class	Hospital Services and Support	70731
4	Division	Environmental Protection	705
	Group	Waste Management	7051
	Class	Landscaping & Beautification	70511

3.2.3. ***Source of Fund segment***

(a) This is a 3-character numeric code providing a breakdown of data by the source of the funding for budgetary purposes. This code will provide an analysis of various sources of revenues by where the funds have been acquired from, for example funds generated from specific revenues or funds generated from donor loans or monetary gifts. This code is also used to analyse expenditure by source of fund which can be matched to the specific revenue. This allows control of the specific revenue or source of fund.

Segment 5: Source of Fund			
	X	X	X
	Category	Sub category	Serial Number
Government of Seychelles	1	0	0
Financial Institutions	2	0	0
Non-Financial Institutions	3	0	0
Overseas-Bilateral	4	0	0
Overseas-Commercial	5	0	0
Overseas-Multilateral	6	0	0
Private (Overseas)	7	0	0
Others (Overseas and local)	9	9	9

3.3. Summary of codes

(a) The table below shows the major classification of revenue and expenditure codes and the related description. It is important that all transactions are recorded under the proper item code such that the reports, both in year and at year end, correctly reflects the transactions in the reporting period and the financial position as at the reporting date. The code structure has a hierarchical structure which aggregates the codes progressively from individual accounts to a total by type as illustrated below:

(b)

Chart of Accounts Illustration				
Level	Code	Type	Main Category	Description
1	Revenue			
1	1			Taxes
1	1	1		
1	1	1	1	Income Tax Government
1	1	1	2	Tax Companies
1	3			Grant
1	3	1	1	
1	4			Other Revenues
1	4	1	1	
1	4	1	2	
2	Expenditure			
2	1			Compensation of Employees
2	1	1		Wages and Salaries
2	1	1	1	Wages and Salaries in Cash
2	2			Use of Goods and Services
2	2	1		Office Expenses
2	2	1	0	Uniforms
2	2	2		Travel and Transportation Cost
2	2	2	0	Fuel
2	4			Interest
2	4	1		To Non- Residents
2	4	1	1	Multilateral
3				
3	1			Non-financial Assets
3	1	1		Fixed Assets
3	1	1	1	Buildings and Structures
3	2			Financial Assets
3	2	1		Domestic
3	2	1	1	Currency Deposits
3	3			Liabilities
3	3	1		Domestic
3	3	1	1	Currency Deposits

(b) The aggregate of all code 2 accounts gives the total for all expenses. The aggregate of code 21 accounts gives the total compensation of all employees. The aggregate total of code 211 accounts gives the total for wages and salaries. There are 7 levels in total which allow a high degree of detailed analysis. The same logic applies to other main (level 1) such as code 1 Revenues.

3.4. Recording of selected operations

(a) Misallocations of revenue and expenditure to inappropriate codes distort the decision-making and reporting process. A good understanding of the codes and the purpose is therefore necessary prior to the recording of transactions.

(b) The following examples provide guidance on the use of some specific transactions:

i. Consultancy fees related to a Capital Project shall be accounted for under the specific Capital Project; and

ii. Travelling in relation to an event such as training are recorded on the economic segment Transportation and Travel Costs.

3.5. Maintenance of Chart of Accounts

(a) The Comptroller General or his delegate shall maintain the Chart of Accounts to ensure that at all times, it reflects the requirements of government.

3.6. Creation and use of codes

(a) The following procedures apply to the creation and use of codes:

i. Codes may not be added or deactivated from the Chart of Accounts without the approval of the Comptroller General or his delegate;

ii. Individual codes may only be used to record transactions as specified by the Comptroller General or his delegate;

iii. All codes shall be created by the Treasury;

iv. In the event a new code is required, an application as per Form FC-002 *Creation of Accounts Code*, shall be submitted to the Comptroller General. The request requires endorsement by the Accounting Officer or his delegate with justifications for the creation of the new code;

v. Once a code is approved, the Comptroller General or his delegate shall notify the Treasury about the creation of the new code on TIS and VAM;

vi. The Comptroller General or his delegate shall notify the MDAs about the creation of the new code; and

vii. The MDAs shall then download the new COA on the local TIS.

3.7. Inactive codes

(a) The Chief Accountant shall regularly review the Chart of Accounts and submit appropriate recommendation to the Comptroller General on codes that should be made inactive. Inactive for the purpose of this Section means:

i. No transactions for the last two fiscal year on that code;

ii. No future transactions expected on that code;

iii. The purpose of the code no longer exists, either due to completion of projects or government regulations.

(b) Once a code is approved for removal, the Comptroller General or his delegate shall request the Chief Accountant to remove the code from TIS and VAM.

(c) The Comptroller General or his delegate shall notify the Heads of Accounts about the removal of the account code.

(d) Head of Accounts or his delegate shall then download the amended COA on the local TIS.

4. ACCOUNTING DOCUMENTS AND JOURNAL VOUCHERS

4.1. General

(a) This Section deals with:
   i. Books of Account;
   ii. Registers;
   iii. Accounting Forms; and
   iv. Other Accounting Documents and their submission to Treasury.

4.2. Accounting Documents

(a) For rules and procedures, refer to Part II of the PFMR. Procedural guidelines for the maintenance of the Registers are outlined under their respective Sections.

(b) Corrections in financial records are to be carried out in accordance with PFMR.

(c) Forms of the various Books of Account, Registers and Accounting Forms prescribed by Part II of the PFMR are included in Appendix 1 *Forms* of this Accounting Manual. MDAs using computer-generated output shall abide by the contents of the forms. The forms prescribe the minimum details required. Approval by Comptroller General or Revenue Commission is required for:
   i. Changes to and adding information to the forms in Appendix 1 *Forms;*
   ii. Deviations from the forms in Appendix 1 *Forms;* and
   iii. Introduction of new forms.

(d) Coding structure for Forms:

B	Books of Account	Appendix 1.1
R	Registers	Appendix 1.2
F	Accounting Forms	Appendix 1.3

(e) Head of Accounts shall maintain Accounting Forms as appropriate in accordance with Appendix 1.3 *Accounting Forms*.

(f) Accounting Forms which are printed and pre-numbered (usually in a book form) are known as Accountable Documents. Head of Accounts is to maintain a Register, RA-001 *Accountable Documents Register* where all receipts and issues of these forms are to be recorded. Examples of Accountable Documents are Cash Receipt Books, Cheque Books, Fuel Coupon Books, Invoice Books.

(g) Whenever accountable documents are to be obtained from Treasury, a written request shall be made on the Form FA-002 *Accounting Forms Requisition.*

(h) Whenever accountable documents are purchased from the printing companies, the format shall be in accordance with Appendix 1 *Forms*.

(i) Whenever the computer is used to generate any of the accounting forms to give effect to transactions, such forms shall not be classified as an accountable document in accordance with this Section. An example is a computer-generated Cash Receipt from the Treasury Information System (TIS).

(j) Procedural guidelines for the use of the Accounting Forms are outlined under their respective Sections. For these forms, refer to Appendix 1 *Forms*.

4.3. Journal Vouchers

(a) Journal Vouchers are used for the correction of errors and accounting of certain specific transactions such as:
   i. Accounting of stocks issued to different cost centres; and
   ii. Accounting of personal emoluments by Treasury.

(b) No journals shall be used for settlements between ministries and departments.

(c) Head of Accounts or his delegate shall prepare all Journal Vouchers, include appropriate references, and request authorization as appropriate.

(d) Journal Vouchers are to be prepared in duplicate as mentioned below:

i. Original to Treasury; and

ii. Duplicate to be retained by the MDA. For record keeping the Journal must always be filled together with copies of the original transaction that is being corrected

(e) Head of Accounts or his delegate shall record manual journal vouchers in register RJ-001 *Journal Voucher Register*.

(f) All manual vouchers are to be listed on Form FV-002 *Voucher Batch Control* in order of sequential number whenever they are presented at Treasury. The value of individual vouchers together with the total value of vouchers are to be noted on this Voucher Batch Control.

(g) The Voucher Batch Control is to be prepared in triplicate:

i. Original to Treasury with the voucher;

ii. Duplicate to Treasury with the voucher which is returned as acknowledgement of receipt; and

iii. Triplicate retained in Book.

5. BUDGET EXECUTION

5.1. General

(a) This Section provides budget execution requirements complementing the PPBB Guidelines.

(b) An Accounting Officer shall not authorise an expenditure from the Consolidated Fund or incur a liability in excess of the amount authorised by the General Warrant, Provisional Warrant, Financial Warrant, Application for Virement or Supplementary Estimates.

5.2. Warrant

(a) The Minister issues a General Warrant or Provisional warrant authorising the Principal Secretary of Finance (Section 52.1a of PFMR), who issues a General Treasury Warrant to the Accounting Officers (Section 52.b of PFMR) to withdraw money against an appropriation in the Consolidated Fund.

5.2.1. *General Warrant and Provisional Warrant*

(a) The following procedures shall apply to withdraw money against an appropriation in the Consolidated Fund.

(b) A General Warrant is issued when an Appropriation Act has been passed by the National Assembly. The Minister of Finance shall issue to the Principal Secretary of Finance a General Warrant, authorising the release of money from an Appropriation Act, to meet the expenditure covered by appropriation provided for in the Approved Estimates.

(c) A Provisional Warrant is issued when an Appropriation Act has not been passed by the National Assembly, and the National Assembly has by resolution authorised the withdrawal of money. The Minister of Finance may issue to the Principal Secretary of Finance a Provisional Warrant, authorising the release of money. The amount authorised to be withdrawn shall not exceed one third of the amount appropriated for the relevant expenditure head in the previous financial year, and the amount authorised shall be set off against the amounts approved under the respective heads in the Appropriation Act once passed by the National Assembly.

(d) Upon receipt of the General Warrant or Provisional Warrant, the Principal Secretary of Finance shall issue a General Treasury Warrant (a letter) to the Accounting Officers to meet the necessary expenditure and to meet the expenditure on grant funded
projects that is appropriated through the General Warrant. Refer to Section 7 *Expenditure management* of this Accounting Manual.

5.2.2. ***Financial Warrant***

(a) For each grant-funded project that is not appropriated through the General Warrant, the Comptroller General issues a Financial Warrant (FF-001 *Financial Warrant*) to the Accounting Officers.

(b) The Comptroller General or his delegate informs the Accounting Officer of the balances at the beginning of the year for reconciliation purposes. Upon receipt of new donor funds, Treasury advises the Accounting Officer.

(c) Accounting Officer shall prepare an application for a Financial Warrant and submit to the Principal Secretary of Finance, accompanied by:

i. Project memorandum, including the source of fund of the project, the approved cost of the projects and services to be rendered; and
ii. Letter from Treasury advising the receipt of the funds;
iii. Reconciliation (in case of balances brought forward).

(d) Each project is to have a separate Financial Warrant (FF-001 *Financial Warrant*) for one particular financial year authorising expenditure on that project.

(e) Expenditure is to be incurred only up to the authorised amount of the Financial Warrant.

(f) After the end of each financial year, the Accounting Officer or his delegate shall prepare the Return of Expenditure at the bottom of the Financial Warrant (FF-001 *Financial Warrant*) and submit to the Comptroller General.

5.3. Release

(a) When issuing the General Warrant, the Minister may instruct the Principal Secretary of Finance to:

i. Set restrictions for the use of an appropriation by an Accounting Officer; and
ii. Limit the use of an appropriation if it is justified by economic or fiscal conditions or if the purpose for which the appropriation was authorised is no longer applicable.

(b) Quarterly release of the warrants by way of allocations is based on the cash flow forecast prepared by the Head of Accounts and submitted for approval by the Comptroller General. The cash flow forecast is prepared as per form FC-003 *Cash Flow Forecast*. Upon approval, the cash flow forecast is submitted to the Chief Accountant for budget release in TIS.

(c) Quarterly allocations cannot always be released according to the spending plans of MDAs. Before releasing allocations, the Comptroller General shall ensure that sufficient funds will be available to meet the spending plans of MDAs by having reference to the projections of available cash made by the Comptroller General. Where this analysis shows that cash shortfall is expected, the Comptroller General shall determine an appropriate course of action to address the shortage, which could include:

i. Releasing the allocations at slower rate than requested by MDAs, so the commitments are incurred later and thus cash outflows occur at a time when sufficient cash is available;
ii. Changing the timing of revenue inflow, to the extent that such flexibility exists; and
iii. Increasing the amount of cash available by changing the timing or level of borrowing in the borrowing program.

(d) Accounting Officers or his delegate may send a letter asking approval for an early release from the Comptroller General or his delegate to cover unforeseen and unavoidable deviations from the timing in their cash flow forecasts. Comptroller General or his delegate conveys his approval to the Accounting Officer with copy to the Chief Accountant.

(e) It is better to control the rate of release of allocations to control the rate of spending, rather than be forced into rationing cash at the payment stage, as this results in expenditure arrears.

5.4. Virements

(a) For general issues related to virements, refer to Section 53 of PFMR. Virements shall only be requested if the level for the whole year has to be increased. In case of unforeseen and unavoidable deviations from the timing in their spending plans, MDAs shall request an early release from the Comptroller General or his delegate instead. Virements will only be allowed if MDAs can demonstrate that the expenditure requiring a virement was both unforeseen and unavoidable.

(b) Internal virements do not need approval from the Comptroller General. An internal virement is a virement within a subcategory of the economic classification of the Chart of Accounts, e.g. transportation and travel costs and office expenses.

(c) Head of Accounts shall submit an application for an internal virement to the Accounting Officer using Form FA-004 *Application For Virement*. Upon approval by the Accounting Officer, the Head of Accounts shall process the virement in TIS and provide copies of the virements to the Chief Accountant and the Comptroller General or his delegate.

(d) Virements, other than internal virements, require approval by Comptroller General or his delegate, including for example virements between:

i. The main categories compensation of employees, goods and services and non-financial assets;
ii. Programmes and sub programmes within an MDA;
iii. Between subcategories of the economic classification within an MDA;
iv. Projects within non-financial assets of an MDA; and
v. Benefits included in the benefits and approved programmes of the Agency for Social Protection.

(e) Moving budgetary funds from one MDA to another needs approval from the National Assembly as part of a supplementary appropriation.

(f) Head of Accounts shall ensure that the additional funds required by one account code can have an equal savings under another account code and that the virement does not affect funds that have already been committed, including but not limited to wages, utilities and rents.

(g) The procedure for application for virements that require approval Comptroller General or his delegate is as follows:

i. Accounting Officer shall endorse the Application for Virement (Form FA-004) and send it to the Comptroller General;
ii. Comptroller General or his delegate sends copies of the approval to Treasury, MDA and Auditor General. Comptroller General or his delegate sends rejected requests for virement to the MDA;
iii. Upon approval of the virements by the Comptroller General or his delegate, Treasury shall adjust the entries under the appropriate account codes;
iv. Head of Accounts shall verify the budget amounts in TIS before and after the virement.

5.5. Supplementary Estimates

(a) The following procedures shall apply when an expenditure in addition to the Approved Estimates is required. Refer to Section 54 of PFMR.

(b) Accounting Officer shall submit an application for additional fund to Comptroller General through the mid-year review report.

(c) The Comptroller General shall consider an application for additional funds through Supplementary Estimates where it can be ascertained that:

i. Virement is not possible;
ii. The request for additional funds is in the public interest;
iii. The request cannot be delayed until the next Annual Estimates are approved;
iv. The need could not have been reasonably foreseen when the Current Estimates were prepared;
v. The additional expenditure contributes towards the realisation of programme objectives; and
vi. The Supplementary Estimates do not substantially modify the Approved Estimates.

(d) The draft Supplementary Estimates require approval by Cabinet of Ministers before the Minister of Finance presents the Bill to the National Assembly for approval.

6. REVENUE MANAGEMENT

6.1. General

(a) This Section deals with the procedures relating to Revenue management which includes revenue sources, rates, fees and charges, invoicing, collection of revenue, debtors control, recording and accounting.

(b) Seychelles Revenue Commission (SRC) shall comply with the requirements in Section 6 *Revenue management* of this Accounting Manual as well as the Revenue Section Procedures of the Revenue Standard Operating Procedures (Seychelles Revenue Commission - SOP Revenue Section).

(c) For rules and procedures relating to Revenue, refer to Part VII of the PFMR.

(d) Head of Admin of MDAs shall maintain an updated price list and a copy of the updated list shall be promptly submitted to the Head of Accounts.

(e) Head of Admin is custodian of all contracts with customers. Head of Admin shall submit to the Head of Accounts a copy of all contracts for invoicing purposes.

(f) Penalties, waivers and exemptions shall be dealt with in accordance with the Section 43 of the PFMA.

6.2. Authorised signatories for Revenue

(a) Accounting Officer shall ensure that an up-to-date list of authorised signatories is maintained and their specimen signatures for authorising the following documents:

i. Goods Issue Note (FG-001);
ii. Invoice (FI-004);
iii. Revenue Voucher (FR-007);
iv. Revenue Refunds (FP-002 *Payment Voucher*);
v. Receipt (FR-001); and
vi. Void/Cancelled Receipt (FR-001).

(b) Accounting Officer shall ensure that the list contains at least two signatories with defined limits for each of the above documents.

(c) Head of Accounts shall send the original of the Specimen Signature Form (FS-006) duly approved by the Accounting Officer to the Chief Accountant. Upon approval, the Chief Accountant or his delegate shall send:
   i. Original to Treasury's file;
   ii. Duplicate to the MDA; and
   iii. Triplicate to the Examiner of Accounts.

(d) Head of Accounts shall inform the Chief Accountant immediately of any change in these authorised signatories using FS-006 *Specimen Signature Form*.

(e) Head of Accounts of each MDA shall maintain an up-to-date Authorised Signatories Register (RA-003) and their specimen signatures for (a).

6.3. Sales of goods and services: invoicing and issuance

(a) Goods and services supplied by MDAs shall be billed by using the Invoice (FI-004), except for goods and services offered and charged through ticketing in triplicate:
   i. Original for customer;
   ii. Duplicate for accounts; and
   iii. Triplicate remains in ticket book.

(b) Invoicing shall be carried out electronically unless Comptroller General or his delegate approves manual invoicing. Manual invoices shall be raised in serial order in a pre-numbered three-copy set in book form as follows:
   i. Original to customer;
   ii. Duplicate to Accounts/Customer files; and
   iii. Triplicate to book.

(c) All manual invoices raised shall be entered in the Invoice Register (RI-002). In case of system failures, if manual invoices are used, it must be raised electronically immediately upon restoration of the system. Manual invoices number should be entered in the system for reference.

(d) All sales through ticketing shall have a counterfoil and a register shall be maintained using the Accountable Documents Register (RA-001).

(e) Where goods are used for internal use within the MDA, a Goods Issue Note (FG-001) shall form the basis for costing and accounting. The Goods Issue Note is a pre-numbered, four-copy set in book form or electronically as prescribed by Comptroller General. The Goods Issue Note must be signed by the issuer and the receiver and is distributed as follows:
   i. Original to the sales outlet;
   ii. Duplicate to Accounts Section which is attached to the invoice to support cash receipts;
   iii. Triplicate to main store used to update stock records as applicable; and
   iv. Quadruplicate left in book to be used to update stock records as applicable

(f) Head of Accounts or his delegate shall ensure that the Goods Issue Notes are reconciled against sales and stock record on a monthly basis.

6.4. Collection, receipts, remittance and banking

6.4.1. *Collection*

(a) Where an MDA provides goods and services for which an amount is payable to the government, collection modes include:

i. Bank Transfers;
ii. Card at Point of Sales (POS);
iii. Online payment;
iv. Cheques; and
v. Cash.

(b) Collection may be banked either:

i. At GGBA held at CBS;
ii. At a government account held at Seychelles Commercial Bank (for inner islands); or
iii. At a commercial bank account held in the name of an MDA (only if approved by Comptroller General).

6.4.1.1. Bank transfers

(a) Bank transfers relate to amounts credited directly to the bank account.

(b) MDAs must advise the payer to quote the MDA beneficiary details on all transfers.

(c) For a bank transfer to a commercial bank account, the commercial bank will inform the MDA through a remittance advice.

(d) For a bank transfer on the CBS, the Treasury shall notify the Head of Accounts of the payment upon advice from CBS including the details of the payment. Head of Accounts shall notify Treasury of the account code for recording purposes.

(e) For a bank transfer in commercial banks, the Head of Accounts shall ensure that the remittance advice with details of the payer is obtained from the commercial bank.

(f) Head of Accounts or his delegate shall check the remittance against the invoice/tickets or notice. Where a discrepancy is found, notify the payer.

6.4.1.2. Card at Point of Sales (POS)

(a) Point of Sales are electronic devices used to effect payment by card, either credit card or debit card. The payment is credited directly to a dedicated bank account.

(b) Where POS is used the Cashier shall:

i. Insert the amount on the POS terminal;
ii. Print the receipt in duplicate. The customer copy is handed over to the payer. The merchant copy is signed by the payer (if required) and kept by the Cashier; and
iii. Cashier must attach the POS slips with its respective receipt
iv. Generate end-of-day listing and reconcile with cash book.

(c) . Refunds are made only if amounts are stated in error or in case of multiple payments and :

i. If the overpayments is identified the same day before the end of the day reconciliation is performed, refunds can be processes through the POS machines Only Head of Accounts or Head of Cashiers are authorised to cancel or make refunds and Void slips shall be attached to the original POS slips.

ii. If overpayment is identified after the end of day of the transaction, the error must be advice to Chief Accountant with clear details and supporting document to confirm the overpayment. Chief Accountant will then instruct the bank to process the refunds, which will be charged to the respective POS accounts. Treasury team to reflect the refunds will then raise revenue vouchers and it will have to be reflected in MDA TIS by Head of account or his delegate.

(d) When raising Revenue Voucher Head of Accounts or his delegate shall ensure

i. Revenue Voucher for all POS of the day shall be prepared separately to cash & Cheque.

ii. Revenue Vouchers sent to Treasury must contain copies of the POS receipt slips and POS End of day reconciliation report

(e) Chief Accountant shall ensure that all POS bank accounts are reconciled against POS cash book ledgers (in the general ledger) on a monthly basis.

6.4.1.3. Online payment

(a) MDA shall accept online payment only through Seychelles Electronic File Transfer (SEFT) or Visa card.

(b) Head of Accounts shall download a daily statement of transactions from the MDA's merchant account with CBS or commercial banks and reconcile with the daily sales report and the Invoice Register (RI-002).

(c) Head of Accounts or his delegate then raises a Revenue Voucher.

(d) CBS and commercial banks transfer the funds from the merchant account to GGBA.

(e) MDA shall reconcile bank statement with cash book.

(f) Chief Accountant shall ensure that all online payments accounts are reconciled against cash book ledgers (in the general ledger) on a daily basis.

6.4.1.4. Cheques

(a) Accounting Officer of an MDA may decide not to accept cheques for payment as approved by Comptroller General or Revenue Commissioner.

(b) Where payment is received by cheque, the Cashier shall ensure that:

i. All cheques shall be drawn either in the name of the Government of Seychelles, or in the name of the MDA where permission to maintain a commercial bank account is given by Comptroller General;
ii. The cheque shall have official stamp of the MDA on the reverse side;
iii. The amount in words and figures tally;
iv. Valid date has been properly inserted;
v. The cheque has been duly signed;
vi. Where there are alterations, they have been duly signed;
vii. Secure the name and contact details of the issuer on the verso of the cheque so that the issuer may be contacted in the event of any issue; and
viii. Cheques in foreign currencies shall only be accepted where the payer has a foreign currency account in Seychelles.

(c) Where cheques are received by post:

i. The officer responsible for opening the mail received by an MDA shall maintain a Register (RI-003 *Inward Cheque Register*) to record all cheques received;
ii. The Register and the remittances are to be passed to the Cashier who shall sign the Registers and issue receipts for all money received; and
iii. The receipt numbers are to be entered against the respective entry in the Inward Cheque Register.

6.4.1.5. Cash

(a) Where payment is received by cash, the Cashier shall ensure that:

i. All notes are counted in front of the payer so that the payer can see any discrepancy;
ii. All notes are properly safeguarded in a locked drawer or a cash box;
iii. There shall be no surplus or shortage; and
iv. Shortage are to be immediately refunded by close of day and surpluses reported and banked. Disciplinary actions will be taken in case of negligence.

(b) In addition to (a) above, when cash is received in foreign currency:

i. Only approved notes shall be accepted;
ii. Head of Accounts obtains last published exchange rate on the CBS website; and
iii. Cash shall be banked at CBS counter in the currency it was received.

(c) Approved notes include United State Dollars, Euro and Great Britain Pound.

(d) Payer should tender exact amount. Where, however, cash is received in excess and a refund has to be made, the Cashier shall refund in SCR despite payment received in foreign currency. The last published exchange rate on the CBS website shall be used for conversion purposes.

(e) Collecting officers at the MDAs shall maintain a Cash Book Analysis (RC-001). Refer to part IV of the PFMR

(f) All receipts for the day including the cancelled ones are to be entered sequentially in the Cash Book Analysis, totalled and banked intact the next working day. This applies to both the GGBA at CBS and separate bank accounts with commercial banks.

(g) Head of Accounts shall ensure that:
   i. A separate Cash Book Analysis is maintained for each commercial bank account using Form RC-001;
   ii. Treasury receipt number is recorded in the Cash Book Analysis and verified against the total amount banked;
   iii. Cash Book Analysis is tallied on a daily basis;
   iv. Cash Book Analysis is to be scrutinised for each banking by Chief Cashier or supervisor and evidenced in the book for such scrutiny; and
   v. Periodical cash counts and reconciliation of the Cash Book Analysis are to be completed and evidenced in the Receipt Book.

(h) Public Accounts Management and Accounting Officers of the MDA shall organize periodical cash counts.

6.4.2. ***Receipts***

6.4.2.1. Issuing receipts

(a) The Cashier shall acknowledge all public money received through a system-generated receipt from a system approved by Comptroller General or through the issue of the manual Government Official Receipt (FR-001 *Receipt*). In case of system failures, if manual receipts are used, it must be raised electronically immediately upon restoration of the system. Manual receipt number should be entered in the system for reference.

(b) The manual receipt shall be pre-numbered in triplicate and the Cashier shall issue as follows:
   i. Original to the payer;
   ii. Duplicate for Accounts/Customer files; and
   iii. Triplicate to be kept in the receipt book.

(c) In cases where an outlet is used in collection of revenue, the receipt shall be a pre-numbered three copy set with the duplicate to be issued to the main accounting office.

(d) All receipt books are pre-numbered, accountable documents which shall be issued by the Treasury on making a written request using Form FA-002 *Accounting Forms Requisition.*

(e) Head of Accounts or his delegate shall record all receipt books received and issued immediately in the Accountable Documents Register (RA-001) and shall retain all receipt books, both unused and used.

(f) Only one receipt book is to be used until it is completely utilised or otherwise approved by Comptroller General and receipts are to be issued in serial order.

(g) Daily receipt summary shall be printed for all computerised receipts generated during the day and submitted to Head of Accounts with all relevant documents for verification against the daily collection.

(h) Head of Accounts shall submit receipt books upon request from Accounting Officer, the Principal Secretary of Finance, the Chief Internal Auditor, the Auditor General or their delegates.

(i) All receipts must be banked the same day or the next working day at the latest.

(j) The Cashier shall issue a receipt (FR-001 *Receipt*) for each payment received. The receipt shows the following:

i. Date of collection;
ii. Name of payer;
iii. Full name and signature of Cashier;
iv. Stamp of MDA;
v. Amount in SCR;
vi. Currency and amount in foreign currency (for collection in foreign currency);
vii. Mode of collection;
viii. Invoice number (where applicable); and
ix. Description of goods and services provided.

(k) Amendments of Electronic receipts should only be done in events of wrong codes . In the event of any incorrect information, the receipt must be cancelled. The amendment process is as followed

i. Request should made to Chief accountant, clearly providing proof
ii. Upon approval and amendment, receipt must be printed and re-issued to clients
iii. The previously issued wrong receipt must be collected from client if possible

6.4.2.2. Amending or Cancelling receipts

(a) iv. Amendments of Electronic receipts should only be done in events of wrong codes . In the event of any incorrect information, the receipt must be cancelled. the following shall procedures apply

v. Request should made to Chief accountant, clearly providing proof
vi. Upon approval and amendment, receipt must be printed and re-issued to clients
vii. The previously issued wrong receipt must be collected from client if possible
viii.

(b) ix. Receipts shall only be cancelled with the approval of the Head of Accounts or his delegate.

(c) Where a receipt is cancelled, the following shall procedures apply:

i. The original has to be obtained from the customer and attached to the receipt book;
ii. All copies shall be marked cancelled and signed by the authorised person;
iii. For receipts issued through the cashier module, the Head of Accounts or his delegate shall in addition to i and ii above, record the cancellation on the cashier module;
iv. Receipt shall be reversed on the system using Form FR-009 *Reversal Voucher*; and
v. New receipt issued to replace cancelled receipt shall be accordingly referenced to the Goods Issue Note (FG-001).

6.4.3. *Remittance (banking of collection)*

6.4.3.1. Paying-in Slip

(a) Electronic copies are integrated in the TIS. All slips shall be in sequential order. The manual Paying-in Slips (Form FP-001(a) and FP-001(b)) in the case of deposits into the GGBA are to be obtained from Treasury on making a written request using form FA-002 *Accounting Forms Requisition.*

6.4.3.2. Revenue Voucher

(a) Revenue Voucher (Form FR-007) shall be completed for each Paying-in Slip with the amount credited to the applicable revenue account code.

(b) The Revenue Voucher is to be prepared in triplicate as follows:

i. Original to Treasury;
ii. Duplicate kept by MDA; and
iii. Triplicate to the main Accounting Office in cases where subsidiary office is used for collection of revenue.

Additional copies may be prepared if required by MDA.

(c) Revenue Vouchers are to be duly authorised by the Head of Accounts or his delegate, similar to Section 7.8.1.3 *Payment Vouchers* of this Accounting Manual.

(d) The details of all Revenue Vouchers are to be entered in the Revenue Voucher Register (RR-001) and in the Voucher Batch Control (FV-002) or Revenue Voucher Upload List (FR-008). After authorisation, the Revenue Vouchers along with the Voucher Batch Control or Uploaded List are to be submitted to Treasury for acknowledgement of receipt of Revenue Vouchers.

(e) Head of Accounts shall ensure that:

i. Revenue Vouchers contain the correct classification of revenues as prescribed in the Chart of Accounts;
ii. Banking of Revenue shall always be supported by approved Revenue Vouchers;
iii. Revenue Vouchers are scrutinised against banking slips to ensure that the collections have been banked promptly; and
iv. Revenue Vouchers are raised and submitted to Treasury same day as banking. Any delays in posting should be communicated to Chief Accountant.

6.4.4. ***Banking***

6.4.4.1. Deposits into bank accounts

(a) Receipts into bank accounts are dealt with as below:

(b)

Collection banked at main government account held at CBS (Mahé)	**Collection banked at main government account held at Seychelles Commercial Bank at inner islands (Praslin, La Digue)**	**Collection banked at a commercial bank held in the name of an MDA**
(c) All collections shall be recorded in the Cash Book Analysis (Form RC-001).	Same	Same

(d)	At the end of the day, the cash book together with all collections shall be submitted to the officer in charge for verification. The Officer verifies the Cash Book Analysis should tally all collections with the Cash Book Analysis entries and accordingly certify accuracy of the Cash Book Analysis.	Same	Same
(e)	For safekeeping, the Head of Accounts or his delegate cheques collected in the safe at the MDA or at CBS.	Same	Same
(f)	After verification by the supervisor, the designated officer at the MDA shall prepare: i. a deposit slip for cash (Form FP-001(a)) and cheques (Form FP-001(b)) in quadruplicate; ii. a Revenue Voucher (Form FR-007) in duplicate and submit them to the officer in charge for authorization.	Head of Accounts or his delegate prepares a deposit slip and raises two copies of the Revenue Voucher.	Head of Accounts or his delegate prepares a deposit slip and raises two copies of the Revenue Voucher.
(g)	After authorization, the MDA shall generate two copies of the Revenue Voucher Upload List (Form FR-008) and remit the cash and cheques collected to the bank along with deposit slips.	Head of Accounts or his delegate banks the cash and cheques along with the voucher and receives acknowledged-deposit slip.	Head of Accounts or his delegate banks the public monies and receives the acknowledged deposit slips. Revenue Vouchers must also be raised and submitted to Treasury within 48 hours of banking.
(h)	Bank retains the original and duplicate of the deposit slip. Duplicate to be given to Treasury;	Bank retains copy of Revenue Voucher and deposit slip.	Bank retains the original of the deposit slip.

(i)	MDA remits the triplicate of the deposit slip duly stamped by the bank to the Treasury along with the central Revenue Voucher and an uploaded list.	Commercial Bank sends Treasury copy of voucher and copy of deposit slip.	MDA remits the triplicate of the deposit slip duly stamped by the bank to the Treasury along with the central Revenue Voucher and an uploaded list. MDA shall specify on the Revenue vouchers name of bank as paying office.
(j)	Treasury examines and uploads the Revenue Voucher.	Treasury examines and books the Revenue Voucher.	Treasury examines and uploads the Revenue Voucher.
(k)	Revenue Cashier at Treasury issues a receipt to the MDA.	Cashier sends document to Accounts Section of the MDA on Mahé. Where collections are made using the cashier module, a report shall be submitted to the Accounts Section of the MDA.	Cashier sends document to Account Section of the MDA on Mahé to record collection.
(l)	MDA keeps in file: the quadruplicate of the deposit slip, a copy of the Revenue Voucher, the uploaded list and the receipt.	MDA keeps in file: copy of deposit slip, Revenue vouchers and upload list.	MDA keeps in file: copy of deposit slip, Revenue vouchers and upload list.
(m)	Treasury carries out the bank reconciliation (bank statement versus cash book). MDA reconciles TIS with general ledger.	Same	MDA carries out the bank reconciliation (bank statement versus cash book) and reconciles TIS with general ledger monthly. Quarterly bank reconciliation must be submitted to Treasury.

6.5. Internal Transfers (Transactions between MDAs) of Revenue

(a) For recording transactions between MDAs, Head of Accounts receives an Internal Payment Voucher (FI-001) from the MDA that receives the goods and services. (Refer to Section 7.8.2.4 *Internal Transfers (Transactions between MDAs) of Expenditure* of this Accounting Manual. The Internal Payment Voucher serves as proof of payment and receipt.

(c) Head of Accounts shall ensure that Revenue Voucher are prepared for all Internal Payment Vouchers received and contain the correct classification of revenues as prescribed in the Chart of Accounts.

(d) Head of Accounts or his delegate uploads the Revenue Voucher in TIS and keeps the Revenue Voucher at the MDA along with a copy of the Internal Payment Voucher.

6.6. Dishonoured Cheques

(a) Dishonoured cheques are those not settled and returned by the bank (‘bounced’), e.g. due to discrepancies or insufficient funds. At that point in time, the following journal entry has already been made in the general ledger: debit ‘Bank Account’ and credit ‘Revenue.’

(b) In the case of MDAs operating through Treasury, the Treasury shall record and inform the MDA concerned for follow up of payment with the drawer. The MDA must record all cheques returned by Treasury for proper follow up.

(c) In the case of MDAs operating commercial bank accounts dishonoured cheques will be issued directly to the MDA by the bank, and the follow-up for payment with the drawer is to be made by the MDA. The MDA shall verify the same day as banking or the next working day whether all cheques are cleared. If there are dishonoured cheques, MDA shall ensure prompt collection and follow up.

(d) The following procedures are to be complied with when cheques are dishonoured:

i. Treasury enters the cheque in the Dishonoured Cheques Register (RD-002) and sends to respective MDA;

ii. Head of Accounts or his delegate records cheques returned in the Dishonoured Cheques Register (RD-002);

iii. Treasury debits 'Dishonoured Cheques Account' and credits 'Bank Account';

iv. Head of Accounts shall ensure that the outstanding cheques from the Dishonoured Cheques Register (RD-002) are promptly being re-presented; and

v. Head of Accounts shall ensure that the Dishonoured Cheques Register (Form RD-002) is reconciled monthly against the Treasury General Ledger and discrepancies promptly addressed.

(e) For accounts at CBS, Treasury must contact the concerned MDA within two working days after the cheque has bounced.

(f) The Revenue Officer must advise, within three working day after receipt of the cheque, the individual or business that the cheque issued to Government has bounced. If unsuccessful, the Revenue Officer shall attempt to contact the respective individual or business and shall maintain logs of such attempts.

(g) For cheques dishonoured on the grounds other than insufficient funds, if the cheque is recovered within 30 days, the Revenue Officer updates the Dishonoured Cheques Register (RD-002) and transfers the cheque to Treasury for banking. Treasury makes an entry to credit 'Dishonoured Cheques Account' and debit 'Bank Account.'

(h) For cheques dishonoured due to insufficient funds, the individual or business shall be required to settle the amount by cash or banker's cheque.

(i) If the cheque has not been re-presented within 30 days from the date of the cheque, the Revenue Officer reverses the revenue in its client database, which is not integrated with the general ledger, unless approved otherwise by Comptroller General.

(j) If the cheque is not re-presented within one month from the date of the cheque:

i. If within the same year: debit 'Revenue' and credit 'Dishonoured Cheques Account';

ii. If in a subsequent year, debit 'General Revenue Balance (GRB)' and credit 'Dishonoured Cheques Account.'

(k) Head of Accounts or his delegate shall file a complaint under the Penal Code (Cap 73) Section 229A with the Commissioner of Police (Criminal Investigation Division, CID) within one month from the date the cheque was received from Treasury.

(l) Treasury or MDA records progress Dishonoured Cheques Register (RD-002). Only MDAs record transfer of dishonoured cheques to the Commissioner of Police.

(m) If an individual or business issues dishonoured cheques for the third time within a period of twelve months, the Chief Accountant shall inform the Comptroller General. Comptroller General shall inform the Heads of Accounts of all MDAs that the government shall not accept any cheques from that individual or business for a period of six months. The Heads of Accounts shall inform the Cashiers.

6.7. Cash surplus or deficit

(a) Any cash surplus must be reported to the Head of Accounts within the same day. Any material amount must be reported to the Comptroller General.

(b) The cash surplus must be placed on Deposit Accounts and accounted for upon request.

(c) The cash surplus may only be withdrawn with the approval of the Principal Secretary of Finance and it would have to be shown that it is apparent surplus, and it is required to cover a related cash deficiency.

(d) Any cash deficit must be brought to the attention of the Head of Accounts. If the amount is material, it must be reported to the Principal Secretary of Finance. The Auditor General must also be informed.

(e) Efforts to collect cash deficit must be made in accordance with Section 6.10.2 *Revenue recovery* of this Accounting Manual.

6.8. Refund

(a) Refund of revenue is made only in the following circumstances:

i. Court Fees and Fines where refunds are authorised by the Judge or Magistrate;
ii. Refund specifically provided for by legislation;
iii. When a person has overpaid for a particular service and can produce receipts to substantiate over payments made;
iv. When an excess payment of tax duty, and the likes, has been made and it is certified by the Head of Division concerned; and
v. When a person has paid for a particular service, the service has not been rendered and upon approval of the Accounting Officer.

(b) Refund in respect of revenue collected in the same year shall be classified 'Revenue Refunded' and debited against the head and subhead of revenue to which it was originally credited.

(c) Refund in respect of revenue collected in any previous year shall be debited to the General Revenue Balance Account.

(d) Head of Accounts shall send request for refund to Chief Accountant, unless otherwise exempted approved by Comptroller General

(e) The request for refund must be accompanied by:

i. Copy of receipts confirming the collection
(f) ii. Copy of the Revenue Voucher to confirm recording
iii. Copy of Banking slip to confirm banking of the collection

Where authorised by Chief Accountant,

i. Refund in respect of revenue collected in the same year shall be processed in TIS by Head of Accounts or his delegate
ii. Refund in respect of revenue collected in any previous shall be processed by Treasury Accountancy team

6.9. Debtors' Control Register

(a) Head of Accounts or his delegate shall maintain a Debtors' Statement (RD-004) on a daily basis for each customer with details of invoices issued, amounts received and outstanding invoices (customer statement) as well as a Debtors' Control Register (RD-001). This equally applies to tax assessments using Customer Management System (CMS).

(b) If the Debtors' Control Register (RD-001)and the Invoice Register (RI-002) are maintained manually, they shall be reconciled on a monthly basis.

(c) Head of Accounts shall prepare an Outstanding Debt Report (FO-003) on a monthly basis. This report shall include an ageing analysis of debtors and separately show arrears by category of revenue. Accounting Officer shall review this report and direct further action where necessary. Head of Accounts shall submit this report on a monthly basis to the Comptroller General.

(d) Accounting Officer (at SRC: Enforcement Officer) shall ensure that all debts are collected within the period of credit allowed.

6.9.1. *Collection of dues*

(a) Where authorised by an Accounting Officer, credit facilities may be given to a maximum of 30 days from the date of the invoice. Accounting Officer must ensure that all credit facilities are guided by a clear internal policy.

(b) Whenever credit facilities are given, invoices are to be raised, and it must maintain the serial number order and particulars are to be recorded in the Invoice Register and Debtors' Control Register (at SRC: CMS).

(c) The outstanding debts are to be collected within the approved credit period and Debtors' Control Register is updated, accordingly. Head of Accounts or his delegate (SRC: Enforcement Officer) takes the following actions for collection of dues:

i. First reminder is sent together with the statement of all outstanding dues either electronically or by post immediately after the credit period has elapsed (next working day);
ii. In case of non-compliance within 15 days, a second reminder shall be sent with statement of all outstanding dues;
iii. Final reminder stating litigation procedures to be initiated shall be sent 15 days after second reminder if dues remains unsettled; and
iv. The reminders shall be substantiated with constant follow-ups by phone, by email and field work. Logs shall be maintained.

(d) Head of Accounts shall conduct an analysis of debt overdue by period and submit a report to Comptroller General on a monthly basis.

(e) If after second reminder the invoice is still unpaid, the Head of Accounts shall immediately initiate termination of the contract with the customer, if applicable.

6.9.2. *Revenue recovery*

(a) All means and efforts are to be made to recover any outstanding revenue. An application to waive recovery of uncollected revenue may be made to the Principal Secretary of Finance after all means and efforts have been exhausted. All applications shall give full reasons and actions already taken to recover the revenue. Authority for waiver should not be sought until officer concerned is fully satisfied that recovery has become impractical. Authority for waiver shall not be given for primary taxes.

(b) Any recovery of revenue shall not be waived if it has become irrecoverable as a result of delay in enforcing payment, negligence or bounced cheque, and the revenue collecting officer responsible for the inaction. Head of Accounts may be held personally liable. Where applicable arrangement for recovery of long outstanding dues of Public servant can be made from salary deduction. For private entities, long outstanding debts shall be offset against future payment following approval of Comptroller General.

(c) An authority to waive recovery of a revenue or to write off a debt shall not mean that recovery shall not be made if the opportunity to do so arises.

6.9.3. ***Accounts receivable, including arrears***

(a) This Section provides guidelines for the recording of receivables from third parties. These are all invoices raised by MDAs (SRC: tax assessments) received but not yet paid.

(b) Receipts shall be allocated to oldest accounts receivable outstanding (FIFO).

(c) Head of Accounts shall ensure that all invoices raised by MDAs for goods and services delivered are posted to the Cashier module or Invoice Register (RI-002) as and when they are received.

(d) All invoices raised by MDAs but left unpaid at the reporting date are to be listed on the Debtors' Control Register (RD-001). MDAs shall submit this register to the Comptroller General as part of the reporting package.

(e) The Debtors' Control Register shall separately show:

i. Invoices which are not yet due for receipt; and

ii. Invoices which are due and should have been paid but which remain unreceived (arrears).

6.10. Receipt and Ticket Books

(a) All Receipt Books used in collection of public revenue must be issued under the authority of the Chief Accountant. Their pages are pre-numbered. Receipt Books shall always be issued by Treasury and labelled Government of Seychelles.

(b) Officers responsible for the collection of revenue are to submit their requisitions for Receipt Books to the Chief Accountant.

(c) The Chief Accountant or his delegate shall issue Receipt Books only against correctly completed Requisition Book.

(d) Treasury shall issue Receipt Books to the Head of Accounts or his delegates.

(e) Head of Admin shall source Ticket Books only after approval by Accounting Officer and Comptroller General.

(f) Head of Accounts or his delegate shall record the receipt, issuance and return of Receipt and Ticket Books using Form RA-001 *Accountable Documents Register*.

(g) Requests for Receipt and Ticket Books within MDA must be accompanied with fully completed books to Accounts Section. All completed books must always be promptly returned to Head of Accounts.

(h) Head of Accounts shall retain all used Receipt Books and Ticket Books at the MDA.

6.10.1. ***Checking and control of Receipt and Ticket Books***

(a) Head of Accounts or his delegate shall immediately verify Receipt and Ticket Books issued to them against the Requisition Book and immediately report any discrepancy in quantity or numbering of Receipt Books to Treasury and of Ticket Books to Head of Admin, and request correction.

(b) Head of Accounts or his delegate who has been issued Receipt and Ticket Books must keep a record of his receipt, issued to other officers and final disposal in the Register of Accountable Documents, as they take place. Separate pages are to be used for each type of book.

(c) The officer in charge of the Register of Accountable Documents must not undertake cash collection or payment duties (segregation of duties).

6.10.2. ***Safe custody, loss of Receipt and Ticket Books***

(a) All Receipt and Ticket Books must be in secure place away from theft and misuse.

(b) All Receipt and Ticket Books must be used in serial order.

(c) Head of Accounts shall promptly report loss of any Receipt or Ticket Book to the Comptroller General, Chief Accountant and the Auditor General. Principal Secretary of Finance shall instruct internal audit to investigate.

(d) Public Accounts Management shall regularly verify that Receipt and Ticket Books issued to the MDAs are accounted for and that stocks held are not excessive.

6.10.3. ***Transfer of, exemptions and obsolete Receipt and Ticket Books***

(a) Approval must be sought from the Head of Accounts before a Revenue Collector can transfer Receipt and Ticket Books to another Revenue Collector within the same MDA. For exceptional cases where transfers between MDAs are required as a result to restructuring, prior approval of the Comptroller General is required. Both officers shall sign the Handing Over Certificate (FH-001).

(b) Obsolete and unused Receipt and Ticket Books must be returned to the Head of Accounts, who shall acknowledge receipt on the Register of Accountable Documents.

(c) Obsolete Receipt and Ticket Books shall be destroyed only with the authority of the Auditor General through Comptroller General.

7. EXPENDITURE MANAGEMENT

7.1. General

(a) This Section deals with the procedures relating to expenditure management according to the Section 24 of the PFMA and Part VIII of the PFMR. MDAs shall acquire goods, services and works in accordance with the Public Procurement Act 2008 and the Public Procurement Regulations 2014.

(b) Accounting Officers may incur expenditure only on receiving a General Treasury Warrant from Principal Secretary of Finance in accordance with Section 52 of the PFMR, or on receiving a Financial Warrant (FF-001).

(c) Care must be taken to ensure the correct expenditure account codes are always used.

(d) The general principles of expenditure control and commitment control are:

i. Moneys appropriated for specific purposes or activities shall be utilised solely for those specific purposes or activities, except for virements approved in accordance with Section 53 of the PFMR;

ii. No money shall be withdrawn from Government accounts except for settlement of legitimate claims approved for payment in the authorised manner;

iii. Claims by third parties against the Government shall become due for payment on fulfilment of the conditions as specified in the individual contracts;

iv. Claims by third parties against the Government must be evidenced in writing by the submission of documentation indicating the nature and amount of the claim;

v. Claims may be presented by a supplier, contractor, firm or corporate body in respect of supplies, works or services delivered or to be delivered to the Government in accordance with a valid agreement; and

vi. Every claim against the Government shall be established as legitimate prior to making payments out of Government funds.

7.2. Authorised signatories for Expenditure

(a) Accounting Officer shall designate authorised signatories for the following:
   i. Requisition (FA-002 and FR-006);
   ii. Purchase Order (FP-006);
   iii. Goods Received Note (GRN) (FG-002);
   iv. Goods Return Note (FG-003);
   v. Petty Cash Voucher (FP-004);
   vi. Petty Cash Analysis (FP-003);
   vii. Suppliers' Invoice;
   viii. Payment Voucher (FP-002);
   ix. Journal Voucher (FJ-001);
   x. Application for Payment in Foreign Exchange (FA-003);
   xi. Internal Transfers (FI-001 *Internal Payment Voucher*)
   xii. Internal Virement (FI-002);
   xiii. Application for Virement (FA-004);
   xiv. Reimbursement Voucher (FR-004); and
   xv. Salary Input Forms (FS-001 through FS-005).

(b) The following forms require authorised Specimen Signature Form to be completed:
   i. Payment Voucher (FP-002);
   ii. Journal Voucher (FJ-001);
   iii. Application for Payment in Foreign Exchange (FA-003);
   iv. Internal Transfer (FI-001 *Internal Payment Voucher*);
   v. Application for Virement (FA-004);
   vi. Reimbursement Voucher (FR-004); and
   vii. Salary Input Forms (FS-001 through FS-005).

(c) Accounting Officer shall ensure that the list contains at least two signatories with defined limits for each of the above documents

(d) Head of Accounts of each MDA shall maintain an up-to-date Authorised Signatories Register (RA-003) and their specimen signatures for (a).

(e) Head of Accounts shall send the original of the Specimen Signature Form (FS-006) duly approved by the Accounting Officer to the Chief Accountant. Upon approval, the Chief Accountant or his delegate shall send:
   i. Original to Treasury's file;
   ii. Duplicate to the MDA; and
   iii. Triplicate to the Examiner of Accounts.

(f) Head of Accounts shall inform the Chief Accountant immediately of any change in these authorised signatories using FS-006 *Specimen Signature Form*.

7.3. Expenditure control

(a) Expenditure control consists of requisition (Section 7.4), commitment (Section 7.5), delivery (Section 7.6), invoice (Section 7.7) and payment (Section 7.8).

(b) The procedures in this Accounting Manual relating to expenditure control apply to all expenditures. However, requisition and commitment are not required for:

i. Debt repayments, interest payments and other debt-related expenditure (refer to Section 11 *Public debt management* of this Accounting Manual);
ii. Utilities, rents, insurance, and other standing commitments (i.e. benefits and approved programmes such as social security, disability benefits and child welfare);
iii. Refund to suppliers;
iv. Refund of expenses to employees;
v. Per diem and allowances;
vi. Compensation of employees;
vii. Advances to public enterprises, advances to public officers;
viii. Imprests;
ix. Subventions, subsidies, transfers;
x. Grants; and
xi. Any payment made by government-issued credit card.

7.4. Requisition

(a) The requisition (also known as encumbrance) means that during this stage of acquisition the budget is reserved while information is being gathered (e.g. there is a tendering process) so that a Purchase Order (FP-006) or an agreement can be written.

(b) After receiving a request from an authorised officer, the officer responsible for procurement makes a requisition using Form FR-006 *Requisition for Purchase Form* or electronically as approved by Comptroller General:

i. Before issuing a PO;
ii. Before awarding a contract in case of procurement using a public contract;
iii. Before approval of price variations, in case of increase in prices or occurrence of additional payments under existing public contracts; and
iv. Before approval of Payment Vouchers in case of advance payments.

(c) The officer responsible for procurement shall confirm with Head of Accounts that sufficient funds are available on the specific budget code item.

(d) An officer of an MDA shall not proceed with the procurement unless the requisition has been approved by the Accounting Officer.

(e) The requisition is an estimate of the cost of the item to be acquired and changes may occur at the time of commitment, receipt of the invoice, or payment.

(f) The officer responsible for procurement shall request for quotations or submit to the Procurement Oversight Unit for tendering in compliance with the Procurement Act and Procurement Regulations or as directed by the Principal Secretary of Finance.

7.5. Commitment

(a) The commitment to acquire materials or services (the legal obligation) is made with the issue of a Purchase Order (PO) (FP-006) or a contract. The use of commitment accounting at this stage is important to enable more efficient tracking of the budget, especially as it relates to large contracts which extend over multiple financial years.

(b) Head of Admin is custodian of all contracts with suppliers. Head of Admin shall submit to the Head of Accounts a copy of all contracts for payment purposes.

(c) PO shall be raised only after approval by the Accounting Officer or the Procurement Oversight Unit (POU), the National Tender Board (NTB).

(d) Head of Accounts or his delegate shall commit against the approved requisition and under the relevant expenditure item.

(e) The amount committed shall be updated in line with additional information received.

(f) Where it is found that a commitment is not likely to materialise, such commitments shall be cancelled to release funds.

(g) Head of Accounts or his delegate generates the PO from TIS for stores, goods and services, both for local procurement and overseas procurement, both cash and credit. Head of Accounts or his delegate shall prepare POs outside TIS only after approval by the Comptroller General using Form FP-006 and shall subsequently upload them into TIS.

(h) These forms shall be used for all procurement of goods and services (including those from other MDAs) except for utilities and items paid from petty cash imprests.

(i) POs shall be recorded in the Purchase Order Register (RP-002) and distributed as follows:

i. Original to Supplier;
ii. Duplicate to Accounts Section to support payment;
iii. Triplicate to Stores (where applicable) or retained by issuing office; and
iv. Quadruplicate left in Book (for POs prepared outside TIS).

(j) On receipt of goods and services, the Head of Admin or his delegate shall acknowledge receipt of goods and services by signing the Triplicate Purchase Order and submit this triplicate copy to the Stores section for the issue of the Goods Receive Note (FG-002).

(k) For procurement of non-current nonfinancial assets, refer to Section 7.10 *Capital Expenditure* of this Accounting Manual.

(l) For procurement of motor vehicles, approval from the Principal Secretary of Finance must be obtained.

(m) POs shall be executed within 10 working days. Head of Accounts monitors outstanding POs through monthly reports from the officer responsible for procurement. Additional requests will not be entertained if proper justification is not provided.

7.6. Delivery

(a) For all goods received by an MDA, an officer responsible for stores or the head of admin shall prepare a Goods Received Note (FG-002).

(b) The Goods Received Note is a pre-numbered, two copy set in book form, and is distributed as follows:

i. Original to Accounts Section to support Payment Voucher;
ii. Duplicate to the Stores
iii. Triplicate left in the Book to update stock records

(c) All goods received shall be checked and tallied with the delivery note from the supplier and the PO. Any discrepancy (e.g. between number of items ordered and supplied) shall be noted on the Goods Received Note itself and necessary action shall be taken.

7.7. Invoice

(a) The addressee of all suppliers' invoices shall be the Head of Accounts.

(b) Head of Accounts or his delegate shall record all invoices in TIS upon receipt, indicating Status Unmatched. Unmatched means at this stage the invoice has not been matched against PO. Head of Accounts uses TIS to produce an Invoice Register (RI-002).

(c) For goods and services covered by a PO, the Head of Accounts shall verify suppliers' invoices when received for the following:
   i. Duplicate copy of authorised PO;
   ii. Original Goods Received Note (where applicable); and
   iii. Pricing, extensions, deletion and arithmetical accuracy.

(d) Goods and services not covered by PO require approval by the Accounting Officer or his delegate after checking the invoice against the contract, as applicable.

(e) Head of Account need to ensure that invoices shall be processed within 10 days upon receiving to the accounting section

(e) Each supplier's invoice shall be evidenced by signing on the face of the invoice that the above checks have been completed by the accounting officer or delegates..

(f) Head of Accounts or his delegate shall maintain a record of all unpaid invoices in a Creditors' Control Register (RC-002).

(g) Only original invoices can support a Payment Voucher (FP-002). In exceptional cases, a copy of invoice may support a Payment Voucher if:
   i. Supplier has certified the invoice as a true copy; and
   ii. Head of Accounts or his delegate has confirmed that the original invoice has not been paid.

(h) An invoice shall be authorised for payment by an Authorised Officer only after the checks above have been completed.

(i) Once the Head of Accounts or his delegate matches invoice with PO, the status of the invoice in TIS changes from Unmatched to Fully Matched.

(j) No payments are to be made against suppliers' statement of accounts.

(k) Duplicate copy of PO, and original of Goods Received Note (FG-002) (where applicable) are to be attached to copies of Payment Vouchers (FP-002) in all cases.

7.8. Payment

(a) Payments are made through any of the following:
   i. Treasury;
   ii. Officers who hold an imprest;
   iii. Authorised Agents;
   iv. Officers authorised to operate bank accounts by the Principal Secretary of Finance; and
   v. Overseas Agents.

7.8.1. *Payment Process*

7.8.1.1. Payments with PO

(a) Head of Accounts shall ensure that all requirements in Section 7.4 *Requisition* through 7.7 *Invoice* of this Accounting Manual have been met.

(b) Head of Accounts or his delegate shall ensure that invoices are processed the same day or the next working day, unless there are queries.

(c) The Head of Admin shall maintain up-to-date service agreements and contracts and shall provide copies to the Head of Accounts to support the Payment Voucher. Service agreements are used to recruit individuals outside of payroll, usually for non-core position.

(d) For procurement that requires a PO, required supporting documents are as follows:

Payments with PO	Supporting documents required
All	procurement approval, GRN, PO, invoice, and, if applicable: service agreements and contracts

(d) Head of Accounts ensures that Payment Vouchers are generated.

7.8.1.2. Payments exempted from PO ('direct payments')

(a) Head of Accounts shall ensure that all requirements in Section 7.6 *Delivery* through 7.7 *Invoice* of this Accounting Manual have been met.

(b) Invoices require endorsement by the Accounting Officer before they are processed for payment. The Accounting Officers or Programme Manager shall ensure that the correct goods and services are procured and invoiced.

(c) For procurement that does not require a PO, required supporting documents are as follows:

Payments exempted from POs	Supporting documents required
Utilities, rents, insurance, and other standing commitments	Formal document (either contract, memo, letter, invoice, or email) to advise location of service
Refund to suppliers	Formal document to explain reason for refund
Refund of expenses to employees	Formal document (either memo, letter or email) showing approval, receipts
Per diem and allowances	Formal document to advise total payment, also documents specified by Public Service Order such as itinerary, letter of invite or participation
Compensation of employees	Refer to Section 7.9.1 *Compensation of employees* of this Accounting Manual
Advances to public enterprises, advances to public officers	General treasury warrant, letter. Refer to Section 9.2 *Advances* of this Accounting Manual
Imprests	Petty cash analysis. Refer to Section 9.4 *Imprests* of this Accounting Manual
Subventions, subsidies, transfers	Letter
Grants	Letter, invoice

(d) If there is insufficient fund, virement or early release procedure may be initiated in accordance with Section 5 *Budget execution* of this Accounting Manual. Head of Accounts should guide Accounting Officer and Programme Managers where to vire from.

(e) Accounting staff process the payment in TIS using the appropriate account code. Head of Accounts ensures that Payment Vouchers are generated.

7.8.1.3. Payment Vouchers

(a) The Payment Voucher must be completed through TIS for all moneys paid except when:
   i. Other accounting packages are authorised by Comptroller General;
   ii. Cheques are used for commercial bank accounts; or
   iii. For payments from petty cash for which petty cash vouchers are to be used.

(b) The payment process shall not take more than 10 working days.

(c) All Payment Vouchers are to be made out in favour of the payee to whom the money is actually due or through their bankers.

(d) A Payment Voucher (FP-002) is made when payments are made through Treasury. All Payment Vouchers shall have supporting documents such as original invoices and receipts. For Petty Cash Recoupment supporting document shall be Petty Cash Analysis Book.

(e) Head of Accounts shall ensure segregation of duties between request, approval and authorization of the Payment Voucher.

(f) The Payment Voucher is to be prepared in duplicate:
   i. Central for Treasury and
   ii. Copy to be kept by MDA

   Additional copies may be prepared if required by the MDA or for Main Account Units.

(g) The Payment Voucher (FP-002) shall be appropriately filled in.

(h) The Head of Accounts or his delegate shall digitally or manually authorise Payment Voucher and submit to Treasury.

(i) The details of all Payment Vouchers are to be entered in the Payment Voucher Uploaded List (FP-003) whenever they are presented to Treasury.

(j) Payment Vouchers are prepared in duplicate. Except when Payment Vouchers are submitted electronically, the Head of Accounts or his delegate shall submit to the Examiner of Accounts:
   i. Original Payment Voucher;
   ii. Original and a copy of the Payment Voucher Uploaded List.

   Upon approval by the Examiner of Accounts:
   i. Original Payment Vouchers remain at Treasury;
   ii. Duplicate Payment Vouchers is returned to MDA; and
   iii. Original Payment Voucher Uploaded List is retained by Treasury for acknowledgement of receipt of Payment Vouchers; and
   iv. Duplicate Payment Voucher Uploaded List is returned to MDA.

(k) Head of Accounts shall generate a Budget Variance Report from TIS and submit it to the Accounting Officer and Programme Managers within five working days after the end of the month.

(l) Treasury shall perform a verification on all payments before being released. Treasury shall perform the following checks:
   i. Signature of Accounting Officer or his delegate;
   ii. Correct classification; and
   iii. Availability of funds;
   iv. Accuracy of all calculations (for wages and salaries and foreign payments).

(m) Should an officer at the Treasury determine that there is an issue with the Payment Voucher, he shall notify the Head of Accounts promptly;

(n) Following their satisfaction with the Payment Voucher, the Treasury officer shall authorize the Payment Voucher in Treasury TIS.

(o) If an error is detected in a Payment Voucher, shall either be cancelled using Reversal Voucher (FR-009) or be corrected by journal entry using Journal Voucher Form FJ-001.

7.8.1.4. Petty Cash Vouchers

(a) All Petty Cash Payments shall be supported by a Petty Cash Voucher (FP-005).

(b) All Petty Cash Vouchers shall be supported by original invoices of the supplier, receipts or authorised claims for reimbursement of expenses incurred by an officer in the execution of his duties in accordance with the Public Service Orders.

(c) All vouchers are in duplicate. One copy goes with the Petty Cash Analysis Book, one copy remains in the book.

(d) Refer to Section 9.4 *Imprests* of this Accounting Manual.

7.8.1.5. Petty Cash Analysis Book

(a) For reimbursement of Petty Cash:

i. All petty cash payments are to be listed in the Petty Cash Analysis Book (Form FP-004) and reimbursement amount totalled under the different expenditure heads and subheads;

ii. A Payment Voucher (FP-002) is to be prepared with the total debited to the Imprest Account and submitted to Treasury; and

iii. Posting is to be made to the respective expenditure heads in the ledger.

(b) The Petty Cash Analysis Book (FP-004) is bound in a pre-numbered book in triplicate:

i. Original to Treasury is attached to central Payment Voucher for reimbursement of imprest;

ii. Duplicate is attached to the copy Payment Voucher at the MDA with supporting documents; and

iii. Triplicate copy remains in the book.

7.8.2. *Payment mode*

(a) Payment shall be effected as follows:

i. Head of Accounts or his delegate shall select the payment mode at time of raising the PO; and

ii. Chief Accountant may change the payment mode where it is found that the one selected by the Head of Accounts or his delegate is not the most appropriate one.

(b) Payment mode includes Bank Transfer, Cheque, Cash and Internal Transfer.

7.8.2.1. Bank transfer

(a) Head of Accounts shall ensure that as far as possible, all payments are effected through bank transfers. Head of Accounts shall ensure that TIS includes supplier banking details to allow bank transfers using Form FN-001 *New Supplier Form*.

(b) The Chief Accountant shall ensure that the Bank Transfer upload list (FP-003) is uploaded on CBS Data Portal.

(c) Chief Accountant or his delegate authorizes the transfer on the CBS Data Portal.

(d) The Accountancy Unit at Treasury then generates a remittance advice and sends this to the Head of Accounts at the MDA. Up-to-date email address of Head of Accounts shall be provided to TIS.

(e) Head of Accounts or his delegate shall reconcile Invoice and Remittance advice.

(f) Head of Accounts or his delegate shall forward the reconciled remittance advice to the payee, if the payee did not provide an email address to receive an automated advice from TIS.

(g) The CBS provides the Treasury with the debit advice and daily bank statement for reconciliation purposes.

(h) The Chief Accountant ensures that Accountancy Unit at Treasury raises the bank transfer (BKTR) voucher (FP-002) to record the payment on the system.

(i) For any funds paid to an incorrect bank account, the Head of Accounts shall immediately advise Treasury, providing the incorrect bank account number and the correct payment details. Treasury shall issue a formal request to the respective banks to restore the payment. Head of Accounts or his delegate of the MDA shall refrain from making another payment to the supplier.

7.8.2.1.1. Overseas payments (Payments in foreign currency)

(a) Head of Accounts or his delegate shall submit their applications for payments in foreign currency to the Chief Accountant using the prescribed Application for Payment in Foreign Exchange (Form FA-003) for authorisation together with the Payment Voucher.

(b) Upon approval by the Chief Accountant and another authorised officer at Treasury, the application form is distributed and processed as follows:

i. Original to Head of Division, Banking Services, CBS for processing; and
ii. Copy to Treasury Department for recording of payment.

(c) If not approved, the application is returned to the originating MDA.

(d) Once the payment has been effected, CBS sends credit advice (which is the confirmation that payment has been made, showing the amount in local currency) to Treasury which then debits the MDA's account code as shown on the form. Treasury then prepares a BKTR voucher in duplicate:

i. Original remains at Treasury;
ii. Duplicate to the MDA.

(e) Head of Accounts or his delegate shall post any adjustment in terms of foreign exchange differences must be posted on TIS. If the amount on the BKTR voucher is more than the Payment Voucher that accompanied the application form, an additional Payment Voucher shall be raised. If the amount on the BKTR voucher is less than the Payment Voucher that accompanied the application form, a Reimbursement Voucher shall be raised.

7.8.2.2. Credit card

(a) Credit card shall only be used for purposes approved by Principal Secretary of Finance.

(b) Head of Accounts shall submit request for the issue of credit card to the Comptroller General stating the purpose and holder.

(c) Upon approval of the request for credit card, Comptroller General informs the Chief Accountant who then sends an application form to the Head of Accounts to be filled in. The Head of Accountant submits the completed form to the Chief Accountant for approval and submission to the respective bank.

(d) The credit limit shall be SCR 50,000 for cards issued for use by MDA's public officers and USD 3,000 for ministers. The holder may request a temporary increase of the limit from the Chief Accountant.

(e) The Chief Accountant or his delegate shall maintain a register of credit cards.

(f) The credit card shall be in the name of the Head of Admin, Head of Accounts, or the minister of the respective MDA. The addressee of the monthly credit card statement shall be the holder. The credit card company sends a copy to the Chief Accountant.

(g) The Chief Accountant or his delegate shall pay the outstanding amounts to the credit card company.

(h) The credit card holder shall submit receipts or other proof of expenses charged to the credit card to the Chief Accountant within 4 working days after month end.

(i) The Chief Accountant will Barr the credit card at the bank if proof of expenses are not provided by the deadline

(j) The Chief Accountant or his delegate shall prepare a Payment Voucher (FP-002) to charge the MDA's budget based proof of expenses for all transactions on the credit card statement except for bank charges.

7.8.2.3. Cheques

(a) Only in exceptional cases, payments shall be made by cheque. This payment mode shall only be used where it is not possible to use bank transfers.

(b) Only the Exchequer Unit at Treasury shall issue cheques.

(c) All cheques shall be issued 'Account Payee Only' except in the following cases:
   i. Cheques shall be issued for minor works and for specific categories only; and
   ii. Valid reasons for the cheque to be cashed at counter

(d) Cancelled cheques shall be dealt with as follows:
   i. Head of Accounts shall formally request cancellation of a cheque to the Chief Accountant, stating the reason. The request shall be accompanied by the original cheque. If a cheque needs to be cancelled that was issued in the current fiscal year, the request shall be accompanied by a payment reversal voucher, prepared by the Head of Accounts. Head of Accounts or his delegate shall maintain copies;
   ii. Chief Accountant shall ensure recording the cancelled cheque in the Register of Cancelled Cheques; and
   iii. Chief Accountant shall ensure that the cheque is cancelled and reverse accounting entries made on payment.

(f) Cheques are valid for a period of six months from the date of issue. Stale cheques are cheques that have not been presented within six months of the date of issue. Stale cheques and spoilt cheques shall be dealt with as follows:
   i. Supplier should contact the MDA in case of a stale cheque or a spoilt cheque. The Treasury shall inform the MDA of stale cheques;
   ii. Chief Accountant or his delegate shall cancel all stale and spoilt cheques on the system and inform the Head of Accounts of the MDA promptly;
   iii. Head of Accounts shall record all stale cheques in the Stale Cheque Register (RS-002) and formally request re-issuance of a cheque to the Chief Accountant, stating the reason. The request shall be accompanied by the original or spoilt cheque. Head of Accounts or his delegate shall maintain copies; and
   iv. Chief Accountant or his delegate re-issues the cheque and informs the Head of Accounts for collection.

7.8.2.4. Cash

(a) MDAs shall not make payments in cash, unless Chief Accountant approves otherwise; this shall only apply to pensioners who can demonstrate that they are unable to open up a bank account. If MDAs makes payments in cash, they shall comply with the requirements in this Section.

(c) Head of Accounts or his delegate submits a coinage analysis to CBS two days prior to disbursement.

(d) Head of Accounts or his delegate cashes a cheque (issued by the Exchequer Unit at Treasury) at CBS.

(e) Recipient signs for receipt of cash on a list, referred to as Pensioner's Payroll, in duplicate:
   i. Original remains with MDAs; and
   ii. Duplicate is handed over to Social Security Fund.

7.8.2.5. Internal Transfers (Transactions between MDAs) of Expenditure

(a) For payment for transactions between MDAs, Head of Accounts or his delegate generates the Internal Payment Voucher (Form FI-001) from TIS, debiting the expenditure item of the MDA receiving the goods or services and crediting the revenue item of the MDA providing the service.
(b) Head of Accounts or his delegate sends Internal Payment Voucher to the Examiner in triplicate.
(c) Examiner stamps all three copies and returns them to the Head of Accounts or his delegate of the MDA receiving the goods and services who distributes them as follows:
   i. Original to Treasury;
   ii. Duplicate to MDA raising the Internal Payment Voucher; and
   iii. Triplicate to MDA providing the goods and services, that will deal with it in accordance with Section 6.5 *Internal Transfers (Transactions between MDAs) of Revenue* of this Accounting Manual.

7.9. Recovery of overpayment

(a) Overpayment means that the amounts paid exceeds the amount of the invoices received. Every recovery of overpayment is to be made in the following manner, in accordance with the PFMR (Section 42 *Overpayments*).
(b) For the current year, all receipts in respect of overpayment made and recovered in the same financial year are to be credited to the expenditure head to which the payment was debited.
(c) For previous year receipts in respect of overpayments made in a previous financial year are to be credited to General Revenue Balance Account, except in the following cases:
   i. Expenditure charged to Capital Budget to the particular Expenditure Code if the Capital Project is still open - if the project is closed, the approval of the Principal Secretary of Finance is to be obtained to credit the Consolidated Fund; and
   ii. Expenditure charged directly to a below-the-line account to credit that below-the-line account.

7.10. Recurrent expenditure

7.10.1. *Compensation of employees*

7.10.1.1. General

(a) This Section deals with procedures relating to the preparation, payment and control of salaries, allowances and the processing of various documents relating to salaries.
(b) For rules and procedures relating to salaries, refer to Public Service Orders and Sections 69-76 of the PFMR.
(c) All Core salaries shall be processed by the centralised payroll section of Treasury. Non-centralised payroll, where payroll is carried out by the concerned MDAs and submitted to Treasury for disbursement, is no longer allowed, unless authorised by Comptroller General. Core salaries relates to payments of empoyees using codes from Group of compensation to Employees. Non-Core payroll are any salaries paid from Group codes of Good & Services eg Board payroll
(d) For any amendment to salaries and allowances, the guidelines outlined in this Section are to be followed.
(e) The dates and time for salary disbursement shall be in accordance with applicable circulars, and due and normally payable seven to four working days before the last working day of the month.

(f) Head of Admin shall reconcile the payroll and the nominal roll on a monthly basis. Head of Admin shall liaise with the Department of Public Administration to ensure that they always have an updated nominal roll.

(g) The salaries of employees on the payroll are prepared and paid by Treasury.

(h) The officer authorised for preparation of salaries shall forward amendments to the payroll to the Treasury not later than the tenth of each month. Any exceptions require approval by the Chief Accountant.

(i) Head of Accounts or his delegate shall include an employee into the payroll using the Salary Input Form - Standing Data For Employee (FS-005), which shall be supported by letter of appointment, letter of transfer, letter of agreement. The same form shall be used for any standing allowances (for example transport allowance and inducement allowance) and deductions (for example insurance, housing and rent). The same form shall be used for any amendments to standing data.

(j) For termination, resignation or transfer of employees, Head of Accounts or his delegate shall fill in Form FS-005 *Standing Data for Employee* stating the date of termination, resignation or transfer for removal from payroll.

(k) Form FS-005 shall be prepared in triplicate:

  i. Original to Treasury;
  ii. Duplicate to Accounts Section of respective MDA; and
  iii. Triplicate to the employee's personal file.

(l) One-off allowances and deductions are processed using Form FS-002 *Salary Input Form - Periodic Allowance* and Form FS-003 *Salary Input Form - Periodic Deduction*, and FS-001 *Salary Input Form - Overtime Authorisation*, together with supporting documents (e.g., letter of appointment, letter of transfer, letter of agreement, resignation letter) for amendments to the payroll.

(m) Any changes in bank transfers shall be processed using Form FS-004 *Salary Input Form - Salary Transfer Authorisation* together with supporting documents.

(n) The above forms require signatures of authorised officers whose signatures are submitted in the Specimen Signature Form (FS-006) to the Chief Accountant.

(o) After processing all amendments, the Treasury shall forward the document Payroll Analysis for Changes to the Head of Accounts or his delegate of MDAs for final checks.

(p) Before the end of the next working day after receiving the Payroll Analysis for Changes, Head of Accounts or his delegate of the MDA shall confirm by email the accuracy of the changes to the Paymaster who shall subsequently print the Final Payroll Analysis.

(q) Head of Accounts of the MDAs or his delegate shall download the Final Payroll Analysis from payroll.net, maintained by the IT Section of Treasury when they are ready. This shall be at least two working days before payday of the MDA.

(r) Chief Accountant or his delegate forwards bank transfers to the CBS which then forwards them to respective banks for salary payments within three working days before payday.

(s) Head of Accounts or his delegate of MDAs shall raise the Payment Voucher by using a PO posted to the respective code in TIS. The Payment Voucher shall match the final payroll analysis.

(t) Head of Accounts or his delegate submits Payment Vouchers and a copy of the Final Payroll Analysis to the Treasury (Examiner of Accounts) preferably by the same day but by the next day at the latest, for final payroll confirmation.

(u) All salaries from payroll shall be paid through bank transfer.

(v) For new recruits, hired after closing of the payroll, the Head of Accounts shall request Treasury to pay their salaries through advance special. This request shall be accompanied by supporting documents, including a letter of appointment and post number. Advance special disbursed to new recruits are then updated in the next payroll.

(w) Only for casual and temporary workers, benefits and salaries payments after compulsory deductions are to be processed separately by Payment Voucher, which must be generated from TIS. Once Payment Voucher has been raised, it must be verified for correctness by Salary Section at the Treasury before proceeding to the Examiner of Accounts. Payment shall be made through bank transfer unless Chief Accountant approves payment by cheque. Head of Accounts or his delegate shall raise Payment Vouchers only if there are sufficient funds available for the month under the Personnel Emolument Vote. The rate of pay in such cases is to be in accordance with Employment Act, Public Service Orders and circulars in force.

(x) Each month, the Head of Accounts or his delegate shall carry out a reconciliation of payroll expenditure of the MDA's payroll vote between TIS and VAM. Head of Accounts or his delegate shall report to the Chief Accountant or his delegate all discrepancies within 14 working days after the end of the month. Head of Accounts or his delegate and the Chief Accountant or his delegate shall ensure that all discrepancies are resolved before the end of the following month.

7.10.1.2. Gratuities

(a) This Section applies to all gratuities, except for annual and end-of-contract gratuities, that are handled by the Public Sector Commission of the Department of Public Administration.

(b) The Head of Admin shall prepare a formal request for gratuities to employees in accordance with Public Service Orders. The HR officer prepares the request for a gratuity and submits it to the Head of Admin.

(c) Upon approval, the Head of Admin sends the document to Head of Accounts for payment. The payment process is similar to the payment process without PO.

(d) Upon confirmation of transfer, remittance shall be given to Head of Admin for endorsement by employee.

(e) HR shall prepare a letter for employees to acknowledge receipt of payment of the gratuity.

7.10.2. *Goods and services*

(a) Goods are tangible items acquired for use in the provision of Government services or for resale.

(b) Services include for example accounting, banking, cleaning, consultancy, education, insurance, expertise, medical treatment, transportation, training, security and rental.

(c) Minor capital outlays are acquisition of non-current (i.e. lifespan exceeding 12 months) non-financial assets funded only by government (i.e. not funded by loans or grants). For all other acquisition of non-current non-financial assets (i.e. partially or wholly funded by loans or grants), the procedures in Section 7.10 *Capital expenditure* of this Accounting Manual are to be followed.

7.10.2.1. Travel and transport

7.10.2.1.1. General

(a) This Section deals with the procedures relating to transportation and travel both local and overseas.

(b) For rules and procedures relating to transport, refer to Section 78 of the PFMR, the Public Service Orders (PSO) 2011 and the Public Service Procedures Manual 2011.

7.10.2.1.2. Travel

(a) Travel authorization shall be in accordance with Public Service Orders. Overseas travel of Principal Secretary and CEO require approval of the President's Office in accordance with Section 77 of the PFMR. All other travel requires approval by the Accounting Officer of the MDA.

(b) Airfares and subsistence allowance to be paid to any person travelling for or on behalf of the government, shall be in accordance with guidelines and rates during the period of the Mission as per Public Service Orders.

(c) For any additional expenses incurred in connection with travel, not covered by per diem, the employee shall request for the approval of the Accounting Officer. Receipts or other proof of expenses shall be submitted to the Head of Accounts for reimbursement and accounting purposes.

7.10.2.1.3. Use of vehicles

(a) Head of Admin shall ensure that a Vehicle Log Book (FV-001) is maintained for each government vehicle. In the case of vehicles such as boats with no odometer (mileage recording meter), details of journeys including duration shall be recorded. The Vehicle Log Book shall be kept in the vehicle. Once full, the Vehicle Log Book shall be returned to the Head of Admin, and a new one assigned to the vehicle.

(b) The driver shall record all journeys in the Vehicle Log Book.

(c) All entries in the Vehicle Log Books should be filled in clearly in ink. All incorrect entries should be neatly ruled through and the corrections initialled by the Head of Department.

(d) Head of Admin purchases fuel coupons from the supplier and hands them over to the Head of Accounts, who keeps them in a safe and records them in the Fuel Coupon Register (RF-002) and disbursed upon request to the Head of Admin. Head of Admin shall ensure that used coupon book is returned to Head of Accounts upon request for a new coupon book. As the Head of Admin issues coupons to the driver, the Head of Admin shall record the coupons in the Vehicle Log Book (FV-001) and the driver shall sign upon receipt of the coupons. When fuelling, the driver shall register coupon details on the Vehicle Log Book for fuel consumption analysis purposes. Head of Admin shall compute the fuel purchased for each of the coupons used and enters the quantities in litres into the Vehicle Log Book. Before issuing fuel coupons, Head of Admin shall verify the Vehicle Log Book against the previously issued coupons for that vehicle.

(e) A fuel consumption analysis is to be prepared on a monthly basis in respect of all government vehicles to ensure their efficiency and economic use of vehicles, and this should be recorded in the Vehicle Log Book. Fuel consumption per month is calculated as B/A
where A = number of fuel in litres purchased during the month and B = total mileage covered for the month.

(f) Use of personal vehicles for official purposes requires approval by the Accounting Officer. Whenever personal vehicles are used for authorised official purposes a Mileage Log Book (FM-002) is to be maintained to record the mileage done. Such mileage covered is to be filled in the Mileage Claim Form (FM-001) for all mileage allowances being claimed for reimbursement, with the applicable rates to be taken from the Public Service Orders and circulars in force. When submitting the claim, a copy of the Mileage Log Book must be attached to the Mileage Claim Form.

(g) Accidents to all Public transport must be reported to the Police and to the Head of Admin by the Driver. Head of Admin must then report the accident to the Accounting officer and to Principal Secretary of Finance together with a copy of the police report.

(h) Quotation is to be obtained prior to the repair of a Government vehicle in line with the provisions of the Public Procurement Act 2008. All repairs carried out on vehicles are to be recorded in the Vehicle Log Book.

(i) All Government vehicles are covered with adequate and valid comprehensive insurance, valuation certificates and road licenses.

(j) Government vehicles which have reached their economic useful lives are to be disposed in accordance with the Public Procurement Act 2008. Services of license assessor should be sought and report available.

(k) Other uses and upkeep of a Government vehicle shall comply with the Public Service Orders and Section 78 of the PFMR.

7.11. Capital expenditure

7.11.1. *General*

(a) Capital expenditure consists of capital projects (dealt with in accordance with Section 7.10.2 *Capital projects* of this Accounting Manual) and minor capital outlays (dealt with in accordance with Section 7.9.2 *Goods and services* of this Accounting Manual).

7.11.2. *Capital projects*

(a) Capital projects, referred to as Public Investment in the PIMP, are all expenses incurred for construction, upgrading, expansion and rehabilitation of public infrastructure/assets. These are dealt with in accordance with the PIMP.

(b) Capital projects are handled under the Public Sector Investment Programme (PSIP).
For procedures relating to capital projects, refer to Section 51 and part VIII of the PFMR, the Public Investment Management Policy (PIMP), PPBB, Procurement Act 2008, Public Procurement Regulations 2014 and the relevant circulars.

(c) Forms related to project approval, execution and reporting procedures are provided in the PIMP.

(d) The Head of Procurement ensures that all payments are properly monitored in the Expenditure Ledger (BE-001) and on the Financial Warrant (FF-001). A Return of Expenditure) shall be prepared showing the analysis and details of all payments made against the Financial Warrant such as date, amount, payee, particulars and payment reference.

(e) Head of Accounts or his delegate shall reconcile these Returns of Expenditure with statements issued by the PIAM on a monthly basis to ensure all disbursements for the project are correct.

7.12. Advance payments (to suppliers)

(a) Advance payments require approval in accordance with Section 57 of the PFMR.

(b) For procedures relating to advance payments refer to section 132 of the Procurement Regulation Act 2014

(b) Advance payments, except for expenditures related to projects included in the Public Sector Investment Programme, shall not be made in respect of stores, goods or services and works to be supplied in the following financial year, without prior approval of the Principal Secretary of Finance.

(c) Accounting Officer requests approval for advance payments from the Principal Secretary of Finance. The Principal Secretary of Finance may authorise advance payment for goods and services, where:

i. There are specific provisions in the contract for advance payments; and
ii. A guarantee is received from the contractor from a financial or non–financial institution.

(d) Head of Accounts shall:
   i. Maintain records for all advance payments approved and disbursed on TIS;
   ii. Ensure that advance payments are deducted from subsequent payments;
   iii. Maintain records for all advance payments made in an Advance Ledger (BA-001) which is to be reconciled with the Treasury statements every month using the Reconciliation Form (FR-002);
   iv. Take necessary administrative and legal measures to clear the outstanding advance payments. Measures includes reminders monthly reminders to defaulters;
   v. After three unsuccessful reminders, refer the matter to Principal Secretary of Finance or State Attorney for legal recovery; and
   vi. Prepare a quarterly report (FO-004 *Outstanding Advances*) which includes an ageing analysis of outstanding advance payments, to the Principal Secretary of Finance, including measures taken to clear the advance payments, not later than 14 working days after month end.

(e) Where it is found that an advance payment is irrecoverable, the Accounting Officer shall submit a Write-Off Application Form of Accounts (FW-002) to the Principal Secretary of Finance.

(f) Advance payments may be considered irrecoverable:
   i. By virtue of a Court decision;
   ii. If the company to which the advance payment was made no longer exists; or
   iii. If the cost of recovering the advance payment is higher than the amount outstanding.

(g) Write off of an advance payment requires approval by the Principal Secretary of Finance.

(h) Upon approval of the write off of an advance payment, Chief Accountant or his delegate shall charge the advance payments against the budget item of the MDA or any other item as may be approved by the Principal Secretary of Finance.

(I) Any good or services not collect within 48 hours upon payment should be treated as advance payments.

7.13. Accounts payable, including arrears

(a) This Section provides guidelines for the recording of authorised liabilities to third parties. These are all supplier's invoices received but not yet paid.

(b) Head of Accounts shall ensure that all supplier's invoices for goods and services delivered are posted to the TIS as and when they are received.

(c) All supplier's invoices on hand as at the reporting date authorised for payment but unpaid are to be listed on the Creditors' Control Register (RC-002). MDAs shall submit this register to the Comptroller General or his delegate as part of the reporting package.

(d) The Creditors' Control Register shall separately show:
   i. Invoices which are not yet due for payment; and
   ii. Invoices which are due and should have been paid but which remain unpaid (arrears).

7.14. Suspense accounts for misallocated payments, returned funds

(a) This Section provides guidelines for the recording of temporarily unidentified payments and the subsequent correct allocation by Journal Voucher (FJ-001).

(b) In instance where a payment has been executed without an account code being allocated such transactions are to be recognised as a suspense item until the correct account code to be used has been identified.

(c) All transactions allocated to the suspense account are to be investigated without delay and the correct allocation determined and a correcting journal entry made using the appropriate Journal Voucher (Form FJ-001) and following the procedures for authorizing and entering such journals.

(d) Any balance remaining on the suspense account as at the reporting date is to be analysed and the details of the individual items making up the balance listed on Form FS-007 *Suspense Account Listing*. The Chief Accountant shall submit this form to the Comptroller General as part of the monthly reporting package.

(e) Suspense accounts are to be used only for unidentified receipts and payments. Refer to Section 9.8 *Suspense Accounts* of this Accounting Manual. Suspense accounts are not to be used to record:

i. Receipt and payments into Trading and Operating Accounts. Refer to Section 9.7 *Trading and Operating Accounts* of this Accounting Manual; and

ii. Receipt of direct grants from third parties and the subsequent disbursement of the funds. Refer to Section 8.3 *Receipt of grants and donations* of this Accounting Manual.

Such transactions are to be recorded as revenue when the money is received and as expenditure when the payment is made.

8. GRANTS AND DONATIONS RECEIVABLE

8.1. General

(a) This Section deals with the procedures relating to grants and donations. Grants and donations are transfers received by government units (or a government officer on behalf of the government) from other government units or international organizations or from private individuals. The donor may be either resident or non-resident. For gifts received by government officers, refer to the Code of Conduct and Ethics (Handbook for Public Officers, June 2009).

(b) Grants and donations may be in cash or in kind. The government shall not accept grants and donations in the form of physical cash.

8.2. Acceptance of grants and donations

(a) No government entity shall accept grants and donations unless the procedure in this Section is followed.

(b) Accounting Officer informs the Principal Secretary of Finance of any grant. If grants are from foreign sources, the Accounting Officer also informs the Principal Secretary of Foreign Affairs. The information shall include the potential benefits, conditions, an assessment of the achievability of the conditions, and the expected impact on the budget.

(c) If grants are from local sources, the Accounting Officer submits a formal request to the donor. If grants are from foreign sources, Principal Secretary of Foreign Affairs submits the formal request.

(d) Accounting Officer of the respective MDA signs the formal agreement with donor.

(e) Donors inform the project accountant at Ministry of Finance about payments they make directly to suppliers, if any. The project accountant informs the Treasury and the MDA.

(f) The Comptroller General shall ensure the maintenance of a register of agreements of grants and donations from both local donors. Both the External Finance Division and the Principal Secretary of Foreign Affairs shall maintain a register of agreements of grants and donations from foreign donors.

8.3. Receipt of grants and donations

(a) Principal Secretary of Finance informs the Chief Accountant of any expected grants and donations. If a donor pays to a government bank account, payment shall be received at the CBS either in a Treasury bank account or in a specific purpose account in accordance with Article 151 of the Constitution. The Chief Accountant or his delegate informs the Head of Accounts of the MDA and the Comptroller General.

(b) Receipts of money from third parties relating to grants are to be recognised as revenue when received (rather than on a grant in transit account).

(c) Head of Accounts shall make a payment request with supporting documents to Principal Secretary of Finance. Payments shall be recognised as expenditure (rather than on a grant in transit account).

(d) If the government receives a grant in kind, the Head of Admin shall register the assets received in the fixed asset register if the grant is of a Property, Plant & Equipment Nature or register in the stock register if it is of inventory nature. On a quarterly basis, the Accounting officer must inform the Comptroller General of all Grant received with supporting documents.

8.4. Recording, monitoring and reporting of grants and donations

(a) If a donor pays to a government bank account:

i. Payment shall be received at the CBS who then advises Treasury;
ii. Treasury asks the Head of Accounts or his delegate about the nature of the money received and the bank account it should be credited to, which may either be a Treasury bank account or a specific purpose account at CBS in accordance with Article 151 of the Constitution;
iii. Treasury records revenues and payments for Treasury bank account and for special purpose accounts at CBS, using bank statement and supporting documents; and
iv. For Treasury bank account, Treasury shall instruct the Head of Accounts or his delegate to come and collect Revenue Vouchers and Payment Vouchers for monthly reconciliation.

(b) If a donor pays to a commercial bank account, refer to Section 6.4 *Collection, receipts, remittance and banking* and Section 7 *Expenditure management* of this Accounting Manual.

(c) Head of Accounts shall record all grants and donations in the Grants and Donations Register (RG-001), monitor and prepare a quarterly report on grants and donations including the receipt of funds and whether conditions in grant agreements are complied with. After approval by the Accounting Officer, the Head of Accounts shall submit this report to the Principal Secretary of Finance.

9. ADVANCES, REMITTANCES, IMPRESTS, DEPOSITS, TRADING AND OPERATING ACCOUNTS

9.1. General

(a) This Section deals with the procedures relating to advances, imprests, deposits, and Trading and Operating Accounts.

(b) For advances refer to Section 57 of the PFMR. For imprests refer to Section 21 of the PFMR. For Trading and Operating Accounts refer to Section 6 of the PFMR.

(c) Advances, imprests, deposits, trading and operating accounts are kept and operated through separate accounts at the Treasury. Treasury shall maintain the necessary records for the appropriate accounts and provide copies to MDAs and to the Public Enterprises that received the advances.

9.2. Advances

(a) Advances may no longer be made to MDAs. For advance payments to suppliers, refer to Section 7.10.2.1 *Advance payments (to suppliers)* of this Accounting Manual.

(b) The Chief Accountant or his delegate shall maintain records for all the advances approved and disbursed on VAM.

(c) Advance may be considered irrecoverable if:
   i. By virtue of a Court decision;
   ii. The public officer has deceased or the parastatal to whom the advance was made no longer exists; or
   iii. The cost of recovering the advance is higher than the amount outstanding.

(d) On receipt of application for write off from an Accounting Officer, the Principal Secretary of Finance shall request the Comptroller General to review the application and submit his recommendation for write off on Form FW-002 *Write-Off Application Form of Account*s in triplicate:
   i. Original to MDA;
   ii. Treasury; and
   iii. Auditor General.

(e) Upon approval of the write off by the Principal Secretary of Finance, the Chief Accountant or his delegate shall charge the advance against the budget item of the MDA or any other item as may be approved by the Principal Secretary of Finance.

(f) If Principal Secretary of Finance does not approve the write off, instructions shall be sent to the Accounting Officer for further action.

(g) The Principal Secretary of Finance may instruct the Accounting Officer to initiate additional actions as deemed necessary in respect to advances.

9.2.1. ***Advances to public enterprises***

(a) The public enterprise shall make an application for an advance to the Principal Secretary of Finance.

(b) The Principal Secretary of Finance shall convey his approval for advances to public enterprises (stipulating terms and conditions, including repayment schedule) through:
   i. the General Treasury Warrant if approved in the Appropriation Act; or
   ii. a letter if approved by Supplementary Estimates.

(c) The Comptroller General shall ensure:
   i. That repayment is made in accordance with the payment schedule;
   ii. That records are maintained for all payments made in VAM in an Advance Ledger (BA-001) which is to be reconciled with the Treasury statements every month through the Reconciliation Form (FR-002);
   iii. Necessary administrative measures are taken to clear the outstanding advances. Measures include reminders to defaulters; and
   iv. A quarterly report (FO-004 *Outstanding Advances*) is prepared which includes an ageing analysis of outstanding advances, to the principal secretary of finance, including measures taken to clear the outstanding advances, not later than one month after the end of the quarter.

(d) The Principal Secretary of Finance shall review the report submitted by Comptroller General and where appropriate seek explanations on long outstanding advances.

(e) In order to request a write-off, the Head of the Public Enterprise shall submit a letter to the Principal Secretary of Finance.

9.2.2. ***Receivables from public officers***

(a) Receivables from public officers consist of advances to public officers or be caused by short remittance or accidental overpayment. Short remittance means a Cashier at a revenue collecting agency deposits a lower amount at the bank (the remittance) than recorded in the cash book. Advances to public officers shall no longer be made.

(b) Head of Accounts shall:

i. Ensure that receivables are deducted, if appropriate in instalments, from subsequent payments in accordance with the PFM Act;

ii. Maintain records for all payments made in an Advance Ledger (Form BA-001) which is to be reconciled with the Treasury statements every month using the Reconciliation Form (Form FR-002);

iii. Take necessary administrative and legal measures to clear the outstanding receivables from public officers. Measures include monthly reminders to defaulters;

iv. After three unsuccessful reminders, refer the matter to Principal Secretary of Finance or State Attorney for legal recovery; and

v. Prepare a monthly report (FO-004 *Outstanding Advances*) which includes an ageing analysis of outstanding receivables from public officers, to the Comptroller General, including measures taken to clear the outstanding advances, not later than 14 working days after month end.

(c) The Comptroller General shall review the report submitted by Head of Accounts and where appropriate seek explanations on long outstanding advances.

(d) When a staff member leaves the government, the Head of HR shall verify whether advances are still outstanding and ensure deduction from final payment made to the staff member.

(e) Where it is found that the advance is irrecoverable, the Accounting Officer shall submit an application for write off (FW-002 *Write-Off Application Form of Accounts*) to the Principal Secretary of Finance for approval for write-off.

9.3. Remittance (transfers to overseas operations)

(a) Remittances are funds transferred to bank accounts held by overseas operations, for example embassies in foreign countries.

(b) Transfers are effected on a monthly basis to overseas account based on cash flow projections and as approved by the Comptroller General.

(c) Transfers shall be recorded in the remittance account.

(d) The head of the overseas operations shall submit to the Head of Accounts at end of each month, certified copies of the bank statements, the cash book and the certificate of reconciliation.

(e) Head of Accounts or his delegate shall raise a Payment Voucher based on the cash book to record expenses under the correct item of expenditure.

9.4. Imprests

(a) Imprests relate to petty cash (for expenditure) and cash float (for revenue, for example to give change). MDAs may hold an imprest of an amount approved by the Chief Accountant.

(b) The imprest should only be issued to the imprest holder who is the designated officer in the MDA responsible for keeping the petty cash.

(c) At no time shall the imprest be in excess of the authorised amount.

(d) The physical balance shall not be in short or in excess of the balance as per the records.

(e) No unauthorised payments are to be made from the imprest. Imprests for petty cash(expenditure) shall be used for minor and urgent purchases for which the normal procurement channel of issuing requisition and raising a Purchase Order as detailed in chapter 7.3 *Expenditure Control* may not be cost effective or applicable.

(f) Payments may be made out of the imprest up to the limit specified in the Imprest Warrant (FI-005).

(g) Final recoupment must be done at year. Imprest shall be renewed before the end of the financial year using Certificate of Imprest (Form FC-001. The Final recoupment of the year must be submitted to Treasury together with Certificate of imprest. End of year Recoupments will not be processed until the certificates are received

(h) The Certificate of Imprest (FC-001) is to be signed jointly by the imprest holder and the Accounting Officer and submitted to Treasury at the end of the year.

(i) When the imprest holder hands over charge to another officer, a Handing Over Certificate (FH-001) is to be prepared in quadruplicate. The form is to be signed by the two officers concerned and one witness and distributed as follows:

i. Original to receiving officer;
ii. Duplicate to issuing officer;
iii. Triplicate to Treasury; and
iv. Quadruplicate to file.

(j) If the MDA no longer requires the imprest, the imprest holder shall retire the imprest without delay within 10 working days by fully refunding the funds to the Senior Exchequer who issues a receipt, banks the funds and raises a Journal Voucher (FJ-001) accordingly. If the imprest holder does not retire the imprest within a reasonable period of time, the imprest amount shall deem to be a personal advance made to the imprest holder.

(k) Refer to Section 7.8.1.4 *Petty Cash Vouchers* and 7.8.1.5 *Petty Cash Analysis Book* of this Accounting Manual.

(l) Head of Accounts shall carry out random and regular checks and attest verifications.

9.5. Deposits

(a) Government may receive deposits from the public, for example by seizure of assets in a court case.

(b) MDAs operating the deposit accounts are to maintain a separate Deposit Ledger (BD-001) for each type of deposit for effective monitoring and are to reconcile with the Treasury statements every month using the Reconciliation Form (FR-002).

(c) Deposit Registers are also to be maintained (RD-003) to record all the particulars of receipts and refunds.

(d) A list of outstanding deposits is to be prepared from the Deposit Register and the total balance agreed with the balance in the Deposit Ledger.

9.6. Other funds

(a) Government operates other funds, such as the Makarios Trust Fund.

(b) All moneys relating to other funds received by the Government are to be kept in separate accounts.

(c) Payments out of the accounts shall be made only for the purposes of the fund.

(d) The Chief Accountant or his delegate is to maintain records of all payments and investments made from the moneys of the other funds placed with the Government and account for the return on such investments.

9.7. Trading and Operating Accounts

(a) Government operates Trading and Operating Accounts, such as Agricultural Revolving Fund. This Section deals with the procedures relating to the Trading and Operating Accounts in accordance with Section 6 of the PFMR.

(b) Accounting Officer shall submits a request to establish a trading and operating account to the Comptroller General with the following details:

i. Reason for the opening of the account with details of purpose ;
ii. Nature of receipts to the account and payments from the account;
iii. Anticipated amounts of cash inflows and outflows;
iv. Expected operation period of the bank account.

The Comptroller General issue letter of approval to Accounting officer and a copy to Chief Accountant advising conditions and accounts details of the account

(c) The Chief accountant or his delegate shall create the suspense account in system
The Comptroller General or his delegate maintains a register of Trading and Operating Accounts.

(d) MDAs maintaining a trading and operating account shall monitor their recurrent expenditure in their expenditure ledger in TIS and should reconcile them to the main Operating Account Ledger in VAM on a monthly basis using Form FR-002 *Reconciliation Form*. The account must not be in debit at any time.

(e) The MDAs authorised to operate Trading and Operating Accounts are to maintain Trading and Operating Account Ledgers (BT-001) for all Trading and Operating Accounts.

9.7.1. *Transactions of Trading and Operating Accounts*

9.7.1.1. Receipts into Trading and Operating Accounts

(a) Receipts of money from third parties relating to miscellaneous exchange transactions are to be recognised as revenue when received.

(b) For details of the receipts procedures, refer to Section 6 *Revenue management* of this Accounting Manual.

9.7.1.2. Payments made from Trading and Operating Accounts

(a) Payments made from receipts of money from third parties relating to miscellaneous exchange transactions are to be recognised as expenditure when paid.

(b) Payments out of the trading and operating account shall be made only for the purposes of the trading and operating account.
Payment being effected in the Trading and operating accounts should follow the same procurement rules as per Procurement Regulations

(c) For details of the payments procedures, refer to Section 7 *Expenditure management* of this Accounting Manual.

9.7.1.3. Reporting on Trading and Operating Accounts

(a) Accounting Officer shall submit a monthly report showing receipts and payments and balances (BT-001 *Advance Ledger*) to the Comptroller General and the Chief Accountant not later than 14 working days after month end.

9.8. Suspense Accounts

(a) This Section deals with the procedures relating to the suspense accounts in accordance with Section 6.b of the PFMR.

(b) Suspense accounts shall not be used unless the following procedures are complied with.

(c) Treasury maintains one suspense account for all MDAs.

(d) Treasury shall temporarily post any unidentified item to the suspense account indicating the administrative code of the MDA.

(e) By the end of the following month, the Treasury shall clear and correctly allocate the item to the relevant budget classification and the Chart of Accounts.

10. BANKING AND CASH MANAGEMENT

10.1. General

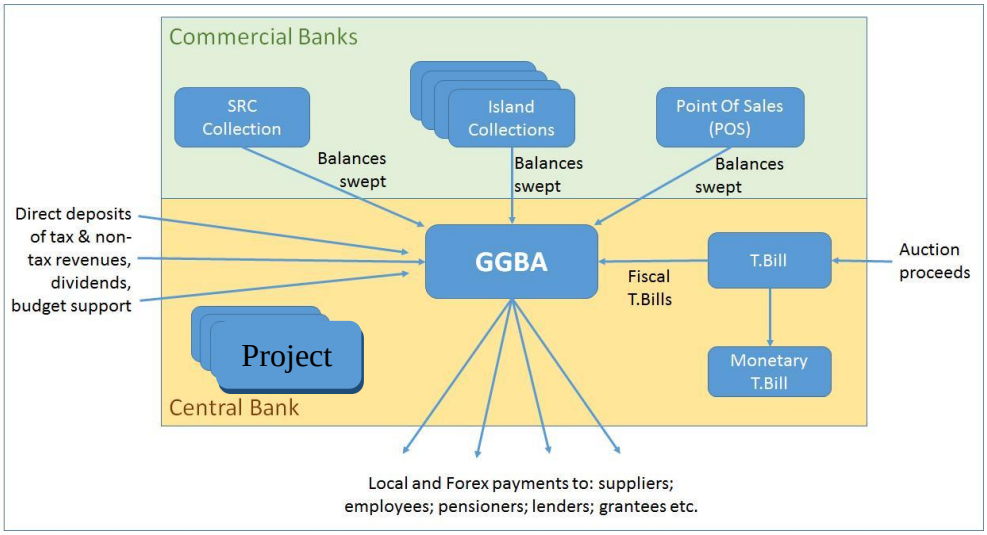
(a) This Section sets out the procedures to be followed for banking and cash management procedures as required by Section 36(c) of the PFMA and Sections 18-24 of the PFMR.

(b) Cash management is concerned with having the right amounts of money in the right place at the right time to meet Government's obligations in the most cost-effective way. It includes the strategy and processes for managing Government's short-term cash flows and balances.

(c) The importance of effective cash management emanates from Government handling significant volumes of taxpayer monies, the unevenness of inflows and outflows and a responsibility to manage these monies in an optimal manner.

(d) Effective cash management should prevent significant cash balances sitting idle, the Government's debt programme and structure from being compromised, facilitate liquidity management by the Ministry of Finance and the Central Bank of Seychelles (CBS), and to prevent cash rationing regime or payment arrears.

(e) The government's banking and cash management framework is illustrated below:



The top part of the chart reflects the collection of revenues remitted to commercial banks and transferred to CBS. The bottom part of the chart reflects the government's transactions carried out by CBS. Projects relate to donor-funded government bank accounts held at CBS which are separate from GGBA.

10.2. Treasury Single Account

(a) The establishment of a Treasury Single Account (TSA) is a key component of cash management. It defines the framework for the operation and management of all government accounts enabling consolidation and optimum use of government cash resources. It also sets the oversight framework for the Comptroller General to have an effective monitoring and timely reporting of the cash balances of the Government.

(b) The CBS acts as the banker of the Government. The GGBA is maintained at the CBS, which also fulfils monetary policy functions including liquidity management.

(c) All revenue shall be received into and all expenditure shall made from the GGBA except where the approval of the Comptroller General has been obtained.

(d) Where revenue is credited to accounts other than the GGBA, the Accounting Officer of the MDA shall make arrangements so that they are swept on a daily basis to the GGBA such that the balance is zero or the minimum required balance, as determined by the Comptroller General; this does not apply to project bank accounts

10.3. Banking Arrangements

10.3.1. *Government General Bank Account (GGBA)*

(a) The Treasury shall manage all transactions affecting the GGBA as specified in this Section.

10.3.2. *Commercial bank accounts*

(a) MDAs shall not open and manage bank accounts except if:

i. Permitted by legislation; or

ii. Authorised by the Minister in accordance with Section 21.3 of the PFMA and in accordance with the terms and conditions set by the Comptroller General as per Section 20(1) of the PFMR.

(b) Accounting Officer shall make an application for opening bank accounts provided to the Comptroller General using Form FO-001 *Opening of a Commercial Bank Account*, with the following details:

i. Reason for the opening of the bank account;

ii. Nature of receipts to the account and payments from the account;

iii. Currency denomination of the account and anticipated amounts of cash inflows and outflows;

iv. Names and designations of proposed signatories; and

v. Expected operation period of the bank account.

(c) Comptroller General shall sign Form FO-001 *Opening of a Commercial Bank Account* conveying the approval to the Accounting Officer for the opening of the bank account by detailing the conditions attached to the operation of the bank account. These conditions may include but are not limited to any conditions as specified in grant or disbursement memorandum.

(d) Accounting Officer (for bank accounts at CBS: Principal Secretary of Finance) shall then apply to the bank for the opening of the bank account with the specimen signature and other relevant documents.

(e) Accounting Officer shall send a copy of the notification received from the bank providing details of the account number and mode of operation to the Treasury.

(f) The Chief Accountant shall maintain a Bank Accounts Register (RB-001).

(g) Revenues deposited to the bank account and payments made from this account shall be limited to the specified purposes of the bank account.

(h) Signatories to the account shall be limited to those agreed by the Comptroller General. Changes in the status of named signatories and an alternative signatory nominated (e.g. retirement, re-designation or re-assignment of duties) shall be promptly submitted to the Comptroller General for approval.

(i) On handing over the administration of the bank account (e.g. following re-assignment of duties or the administrator proceeding on annual leave) a written Handing Over Certificate (FH-001) shall be prepared accompanied by the up-to-date bank reconciliation statement as at the end of last month, bank statement, any cash in transit, the stock of unused cheques, any pending invoices and the updated cash book.

(j) Accounting Officer or his/her delegates shall maintain a cash book to record all transactions.

(k) Debit instructions shall always bear two signatories.

(l) Cheque books are Accountable Documents and must be recorded in the Accountable Documents Register (RA-001). This register shall not be under the control of the person administering the bank account.

(m) No bank account shall be overdrawn at any point in time, except with prior approval of Principal Secretary of Finance.

(m) Interest received on commercial accounts shall be recorded using a Revenue Voucher (FR-007). Expenses related to the operations of the bank account shall be recorded using Payment Voucher (FP-002). Other receipts and payments are accounted for in accordance with Section 6 *Revenue management* and Section 7 *Expenditure management* of this Accounting Manual.

(n) The Chief Accountant shall closely monitor all bank accounts and, bring inactive bank accounts to the attention of the Accounting Officer and Comptroller General within three months after becoming inactive.

(o) Inactive for the purpose of this Section means where

i. The bank account is no longer required for the purpose for which it was opened;
ii. There is no indication of future transactions;
iii. There have been no transactions over the last fiscal year; or
iv. The Comptroller General instructed to discontinue the operation of the account.

(p) Upon approval of the Comptroller General, the Accounting Officer shall ensure that the inactive account is closed within one month. Any remaining balance shall be dealt with in accordance with conditions spelled out by the Comptroller General when opening the bank account and otherwise transferred to GGBA. The Accounting Officer shall notify the Chief Accountant within 14 working days after closing the bank account quoting the approval reference.

(q) Accounting Officer shall notify Comptroller General of any relevant issue related to the bank account promptly.

(r) In the event that it is found that Accounting Officers are not complying with the conditions set for operation of the bank accounts, the Comptroller General takes measures to either suspend or close the account and transfer all the funds to GGBA.

10.3.3. ***Bank accounts at CBS other than GGBA***

(a) The bank accounts at CBS other than GGBA, shall follow the same procedures as in Section 10.3.2 *Commercial bank accounts* of this Accounting Manual, except:

i. Principal Secretary of Finance shall carry out all tasks assigned to the Accounting Officer, except Chief Accountant or his delegate shall carry out the tasks assigned to Accounting Officer in (j); and

ii. No cheque books shall be used as referred to under (l).

10.3.4. ***Bank accounts for Specific Purposes***

(a) Bank accounts for specific purposes in accordance with Article 151 of the Constitution shall only be opened by Comptroller General after approval by National Assembly either at CBS or commercial banks. The procedures in Section 10.3.2 *Commercial Bank Accounts* or Section 10.3.3 *Bank Accounts at CBS other than GGBA* of this Accounting Manual shall be followed.

10.3.5. ***Transfers between government bank accounts***

(a) Transfers between government bank accounts, including both national and international transfers (monies located in the Seychelles to funds located overseas) have no effect on consolidated cash balances other than the effect of changes in exchange rates associated with transfers between bank accounts in different currencies and bank charges.

(b) Payments of transfers are to be made using a Payment Voucher (Form FP-001). All Payment Vouchers must have supporting documents such as original invoices and receipts and be authorised as specified in Section 59 of the PFMR.

(c) Receipts of transfers are to be made using a Revenue Voucher (Form FR-007). All Revenue Vouchers must have supporting documents such as a remittance advice.

(d) For reporting purposes any balance on the transfer of funds accounts (cash in Transit Accounts) at the reporting date is to be included in the closing cash balance as 'cash in transit.'

10.3.6. ***Bank reconciliation***

(a) Chief Accountant or his delegate shall reconcile on a daily basis the bank statement of the GGBA with the cash book balance within the general ledger and provide a system-generated bank reconciliation on a quarterly basis to the Comptroller General.

(b) Head of Accounts or his delegate shall reconcile on a weekly basis the bank statement of all commercial bank accounts with the cash book balance within the general ledger and provide a bank reconciliation on a monthly basis to the Chief Accountant.

(c) The senior accountant of the Exchequer at Treasury shall ensure that all MDAs carry out reconciliation of all bank accounts and shall provide a quarterly summary report to the Comptroller General.

(d) All unmatched items shall be resolved within one month. If an issue is still unresolved after one month, the Head of Accounts shall refer the issue to the Accounting Officer for further action.

10.4. Custody of public moneys and safeguarding of cash in transit

10.4.1. ***General***

(a) This Section deals with the procedures relating to custody of public moneys, including operation of authorised government bank accounts.

(b) Adequate precautions are to be taken for the safety of cash in transit, with appropriate security measures, and insurance as and when appropriate.

10.4.2. ***Custody***

(a) Head of Accounts or his delegate shall keep cash and cheques separate from other security documents. Other security documents are:
   i. Share Certificates;
   ii. Bonds and Bills;
   iii. Loan agreements; and
   iv. Other similar agreements.

(b) Head of Accounts or his delegate shall keep moneys and security documents in a strong room, safe, cash box or a secured storage.

(c) Where cash boxes (or other movable secured storage) are used, they are to be securely locked and stored at all times.

10.4.3. ***Cash in Transit***

(a) Cash in transit is to be carefully checked, securely packed and sealed and signed in the presence of a witness and the person carrying the cash before dispatch. Security escorts may be considered as a security measure.

(b) When cash is handed over to another person, the following procedures are to be followed:
   i. A register or Handing Over Certificate (FH-001) is to be prepared in triplicate. Whichever method is chosen, it must be consistently followed;
   ii. The issuing officer and the person carrying the cash shall sign the register or all copies of the Handing Over Certificate;
   iii. In cases where Handing Over Certificates are prepared, they will be distributed as follows:
      a. Original to the receiving officer;
      b. Duplicate to the person carrying the cash; and
      c. Triplicate retained by the issuing officer;
   iv. In cases where registers are used the particulars of the receipt issued shall be verified against the details of the register for their correctness.

(c) On receipt of the cash in transit, the following procedures are to be followed:
   i. The receiving officer shall verify its contents in the presence of a witness and the person carrying the cash in transit;
   ii. The receiving officer shall acknowledge receipt by immediately issuing a receipt (FR-001) in duplicate:
      a. Original to the issuing officer; and
      b. Duplicate remains in the book.

(d) The remitting officer is to satisfy himself about the adequacy of security arrangements.

(e) All details of cash in transit must be kept confidential.

10.4.4. ***Keys to Strong Room, Safe, Cash Box and Other Secured Storage***

(a) Head of Accounts shall enclose duplicate and triplicate (if any) keys of a strong room, safe, cash box or other secured storage in a separate sealed envelope, with the description and details marked on the outside, and hand over for safe keeping to the Chief Accountant.

(b) The authorised officer holding the original key to a strong room, safe, cash box or any other secured storage shall be personally responsible for its safe custody and shall remain present when these are opened. The authorised officer holding the original key shall be:
   i. For the strong room, the safe and other secured storage: the Head of Accounts; and
   ii. For the cash box: the Cashier.

(c) When handing over keys from one officer to another, a Handing Over Certificate (FH-001) shall be distributed as follows:
   i. Original to receiving officer;
   ii. Duplicate to issuing officer; and
   iii. Triplicate to be filed.

(d) Head of Accounts shall promptly report any discrepancy to the Accounting Officer for taking immediate corrective action.

(e) Head of Accounts shall maintain a key register to ensure accountability of the all the keys and key movements need to be recorded accordingly.

(e) The officer handing over shall ensure that his successor is informed of the identity of the other key holders.

(f) Keys lost or stolen must be reported immediately to the Head of Accounts with an explanation of the loss. If the Cashier loses the key to the cash box, he shall report to the Head of Accounts. If the Head of Accounts loses the key to the safe, the strong room or other secured storage he shall report to the Comptroller General, Chief Accountant and the Accounting Officer. Immediate steps are to be taken to ensure that the lock is replaced and new keys are provided, where feasible. If it is not feasible to replace the lock, the safe will be replaced.

10.4.5. ***Contents of Strong Room, Safe, Cash Box and Other Secured Storage***

(a) Only money and security documents held on behalf of Government are to be kept in any strong room, safe, cash box or other secured storage. Personal effects or money are not to be kept in such storage.

(b) Head of Accounts shall hold all security documents as listed in Section 10.4.2.a of this Accounting Manual on behalf of the Government and keep them safely in the strong room or any other secured storage. Head of Accounts shall record these documents in the Security Documents Register (RS-001).

(c) Separate cash boxes or similar storage facilities are to be maintained for cash imprest and revenue collections.

(d) Cashiers shall check the contents of the cash box on a daily basis. Head of Accounts shall regularly check the safe and any other secured storage on a daily basis and ensure that they are in agreement with the Security Documents Register. Head of Accounts shall carry out spot checks of the cash box. PAM shall carry out spot checks of the safes, strong rooms and other secured storage.

10.5. Loss of public moneys

10.5.1. ***General***

(a) This Section deals with the procedures relating to loss of public moneys.

(b) For rules and procedures relating to loss of public moneys, refer to Section 14 of the PFMR. In respect of disciplinary action to be taken against employees for loss of public moneys, refer to the Public Service Orders.

(c) Accounting Officer shall maintain a separate file for each case of loss detailing actions taken.

(d) Accounting Officer shall maintain a Losses Register (RL-002) of the status of the recovery of losses.

10.5.2. ***Loss due to damage***

(a) All losses due to damage are to be reported to the Accounting Officer.

(b) Commissioner of Police is also to be informed in cases of damage due to theft, burglary, accident or sabotage.

(c) Accounting Officer shall complete an Accident Report Form (FA-001) in duplicate and distribute them as follows:
   i. Original to be retained in the concerned MDA; and
   ii. Duplicate to the Principal Secretary of Finance.

(d) Accounting Officer shall compile a file on each such loss. Where such loss is SCR 5,000 or more, the Accounting Officer shall send a copy of the file to the Principal Secretary of Finance for instructions and directions and keeps the original. Accounting Officers shall take appropriate actions to recover the loss.

(e) For losses to be written off, the necessary approval is to be sought by submitting the Write Off Form (FW-001) to the Principal Secretary of Finance.

10.5.3. ***Loss other than damage***

(a) The Accounting Officer shall report all losses other than damage immediately to the Principal Secretary of Finance, the Auditor General and the Government Audit Committee.

(b) Disciplinary proceedings are to be initiated, including suspension of the employee, in cases of suspected fraud.

(c) The Principal Secretary of Finance are to inform the Commissioner of Police in the following cases:
   i. When MDAs are informed by the Principal Secretary of Finance that investigation is not necessary in confirmed and known cases of fraud or theft; and
   ii. Where theft or fraud is established or suspected after investigation by Chief Internal Auditor.

(d) If court proceedings are instituted, Accounting Officer shall maintain records of the same and inform in writing the Principal Secretary of Finance of the judgment.

(e) Where write-off is to be made in whole or in part, the Write Off Form (FW-001) has to be sent to the Principal Secretary of Finance.

10.6. Cash flow forecasting

(a) The Cash Management Unit, established in accordance with Section 23 of the PFMR and reporting to the Comptroller General, is responsible for cash flow forecasting.

(b) Effective cash management ensures that government has the required liquidity to meet all its obligations as they fall due. It ensures smooth budget execution for achievements of socio-economic objectives.

(c) Forecasting is a key element of this framework and it is crucial that due care and diligence be exercised in drawing up the forecasts. The following may be considered while preparing forecasts:
   i. Standard time frame set for payments and revenues:
      - Salaries two clear days before month end;
      - Rent paid in advance at start of month;
      - Utilities paid at a set time frame;
      - Tax receipts;
      - Payment of leases; and
      - Redemption of Treasury bills, Treasury bonds, loan disbursement, loan repayments, and interest payments;
   ii. Specific project related which is dependent on completion of specific milestone;
   iii. Other miscellaneous transactions.

11. PUBLIC DEBT MANAGEMENT

11.1. General

(a) This Section deals with the procedures related to public debt management.

(b) For rules related to public debt management, refer to Public Debt Management Act 2008 as amended, IMF's Government Finance Statistics Manual 2014, External Debt Guide, Public Sector Debt Statistics (Guide for Compilers and Users), Special Data Dissemination Standard (SDDS) reporting.

(c) Annually, the Minister of Finance submits the Debt Strategy to the National Assembly. Attached to the Debt Strategy is an annual borrowing plan of domestic and foreign borrowings.

(d) Borrowings are classified as domestic or foreign based on the residency of the creditor. Both domestic and foreign borrowings may be denominated either in local of in foreign currency.

11.2. Domestic borrowings

(a) Domestic borrowings include domestic debt liabilities as defined by the External Debt Guide, Public Sector Debt Statistics (Guide for Compilers and Users). Domestic borrowing shall follow the procedures set out in the Public Debt Management Act 2008 and shall be in accordance with the borrowing plan.

11.2.1. *Treasury Bills and Treasury Bonds*

(a) For the planning of Treasury Bills, the Comptroller General or his delegate prepares cash flow forecasts and submits them to the CBS. For the planning of Treasury Bonds, CBS and Ministry of Finance prepare an analysis of funding requirements, maturities and market interest rates.

(b) The auctions of Treasury Bills and Treasury Bonds for fiscal purposes shall comply with the following procedures:

i. The successful bidders pay into government bank accounts with the CBS on the date specified by CBS;
ii. CBS sends a remittance advice of these accounts to the Chief Accountant and a copy to the Debt Management Division;
iii. Upon receipts of the remittance advice, Treasury raises Revenue Voucher with copy to Debt Management Division;
iv. Upon maturity, CBS sends remittance advice to Treasury. Treasury raises Payment Voucher; and
v. Reconciliation by Debt Management Division.

11.2.2. *Domestic loans*

(a) Disbursement of domestic loans shall be in Government General Bank Account.

11.3. Foreign borrowings

(a) Foreign borrowings include external debt liabilities as defined by the External Debt Guide, Public Sector Debt Statistics (Guide for Compilers and Users). Foreign borrowing shall follow the procedures set out in the Public Debt Management Act 2008 and shall be in accordance with the borrowing plan.

11.4. Guarantees

(a) The Minister of Finance may issue guarantees in accordance with the PFMA, PFMR and the Public Debt Management Act 2008.

(b) All request for Guarantees are submitted to National Committee on debt through the Debt Management Division.

(c) Upon advice of the National Committee, the Minister of Finance shall issue Guarantees.

(d) The Debt Management Division shall maintain a register of guarantees with details of loans and conditions.

(e) Where a guarantee has been issued by the Minister of Finance, the Debt Management Division shall ensure all conditions attached to the guarantee are fulfilled.

(f) A copy of all repayment advice shall be provided to the Debt Management Division.

(g) The Debt Management Division shall submit quarterly report to the Principal Secretary of Finance the status of guarantees.

11.5. Recording of government and government-guaranteed debt

(a) Debt Management Division shall record all transactions and balances related to public debt in the Commonwealth Secretariat Debt Recording and Management System (CS-DRMS), except for Treasury Bills, stocks and deposits.

(b) The Chief Accountant or his delegate shall record all transactions and balances related to public debt in the accounting system, VAM.

(c) The Debt Management Division shall check the general ledger accounting entries prepared by the Chief Accountant or his delegate before inclusion in VAM against the debt transaction data in CS-DRMS. This shall be the responsibility of the Debt Management Division and undertaken at the end of each month.

(d) For government debt, Comptroller General or his delegate shall inform the Debt Management Division promptly of any disbursements received. For government-guaranteed debt, public enterprises and public-private partnerships shall inform Debt Management Division promptly of any disbursements received.

11.5.1. *Reconciliation between CS-DRMS and VAM*

(a) Debt Management Division reconciles transactions and balances recorded in the CS-DRMS and VAM. Debt Management Division provides journal entries to the Treasury for posting to the general ledger.

(b) The Chief Accountant or his delegate shall provide the Debt Management Division relevant reports from VAM. Debt Management Division submits a monthly report to the Comptroller General demonstrating that transactions and balances in CS-DRMS and VAM match, not later than 14 working days after month end.

11.6. Debt service

(a) For domestic borrowings, the Debt Management Division shall initiate debt service transactions by monitoring CS-DRMS. For foreign borrowings, the Debt Management Division shall receive the payment notice from the lender and check this against CS-DRMS or as may be stated in the loan agreement

(b) Debt Management Division shall submit to the Principal Secretary of Finance a quarterly repayment schedule six months in advance for approval.

(c) The Debt Management Division shall prepare and send the payment order to CBS for making payment to the lender.

(d) CBS shall make the payment to the lender and debits the Treasury bank account.

(e) CBS shall send payment notifications to the Chief Accountant to record the payment in VAM and the Debt Management Division for input to CS-DRMS.

(f) The Chief Accountant or his delegate shall check the payment advice against the payment instructions.

(g) The Chief Accountant or his delegate shall prepare Payment Voucher for input in VAM.

11.6.1. ***Debt service of guaranteed loans***

(a) Borrowers with Government guarantee should pay directly to the creditor through their respective banks and advise the Debt Management Division of all such payments.

(b) The borrower shall inform the Debt Management Division immediately of any expected default.

(c) Borrowers send demand note received from creditor to Ministry of Finance (as guarantor) explaining reasons for their inability to service the debts and requesting Government to pay on their behalf as well as indicating when to reimburse government as per Form FR-010 *Reimbursement of Government Guaranteed Debt*.

(d) Borrowers with Government guarantee who are unable to pay due to cash flow problems request the Treasury to pay on their behalf by observing the following procedure.

(e) The payment follows the normal payment procedure for debt servicing under (b)-(e) above.

(f) Borrowers are then required to reimburse the Government as per their approved request.

11.7. Reporting

11.7.1. ***In-year reporting***

(a) Debt Management Division prepares a quarterly report on public debt and submits it to the Principal Secretary of Finance.

11.7.2. ***Year-end reporting***

(a) Debt Management Division prepares an Annual Public Debt Report that provides a review of debt management activities for the previous fiscal year with an evaluation of outcomes against objectives and compliance with the Debt Strategy. The Annual Public Debt Report shall include information on the costs and risks of the debt portfolio. The Minister of Finance shall submit the Annual Public Debt Report to the National Assembly in line with the Public Debt Management Act 2008.

(b) Debt Management Division prepares Special Data Dissemination Standard (SDDS) reporting and submits it to Principal Secretary of Finance to submit to the IMF.

12. INVENTORIES AND PROPERTY, PLANT AND EQUIPMENT (PPE): CUSTODY, CONTROL, DISPOSAL

12.1. General

(a) This Section deals with the procedures relating to recording, custody, control, write-off and disposal of inventories and items of PPE.

(b) For rules and procedures, refer to Part III of PFMR, the Public Procurement Act 2008 and Public Procurement Regulations 2014.

(c) In this Section assets consist of:

i. Inventories (referred to as stores in PFMR); and
ii. Property, Plant and Equipment (referred to as fixed assets in PFMR).

(d) All the registers, including Inventory Report(RI-001), Land and Buildings Register(RL-001), Loose Tools Register (RL-003), Vehicles and Heavy plant Register(RV-001) prescribed in this Section are to be maintained up to date.

(e) Transfers of inventories and PPE require a Handing Over Certificate (FH-001) in triplicate. Both concerned officers shall sign the certificate. Handing over between different MDAs requires approval by the Principal Secretary of Finance. Copies shall be distributed as follows:

i. Original to receiving officer;
ii. Duplicate to issuing officer;
iii. Triplicate to Comptroller General; and
iv. Quadruplicate to file.

12.2. Inventories

(a) Inventories are assets:
   i. In the form of materials or supplies to be consumed in the production process;
   ii. In the form of materials or supplies to be consumed or distributed in the rendering of services;
   iii. Held for sale or distribution in the ordinary course of operations; or
   iv. In the process of production for sale or distribution.

(b) Head of Admin shall review at least twice a year the most economic and efficient method of procurement, storing, maintaining and accounting of inventories under their control. Head of Admin reports his findings and recommendations to the Accounting Officer.

(c) Accounting Officer shall appoint a Stores Control Officer who shall be charged with the management of the warehouse of inventories.

(d) Head of Admin shall account for inventories using the government's computerised inventory system, unless otherwise approved by the Comptroller General.

(e) If the MDA does not have access to the inventory system, the Stores Control Officer shall ensure to follow steps below:
   - ✓ The standard preprinted forms shall be used for the process of goods receiving, issuing and returning with the recommended copies of distribution.
   - ✓ Bin card must be maintained for all the inventory items in the prescribed form FB-002
   - ✓ The inventory movement shall update regularly in the Stock Ledger Control Register as prescribed RS-003
   - ✓ The Inventory report shall be maintained for all the items in the prescribed form RI-001
   - ✓ The Bin card (FB-002) shall reconciled with Stock Ledger Control Register as prescribed form RS-003 regularly.

(f) The accounting officer together with head of admin, shall determine a maximum, minimum and reorder stock level for all inventories, and ensure that ordering is carried out accordingly

(g) The store control officer shall ensure the inventory report (RI-001) is reconciled with stock control ledger (RS-003) At least quarterly, align with physical stock.

(g) Head of Admin shall ensure that quarterly verification of a representative sample of inventories electronically or with the Bin Cards is carried out and certified by a public officer who is independent from store management.

(h) At year end, a public officer who is independent from the MDA, shall carry out a physical verification of all inventories and submit a statement to the Comptroller General or his delegate which shall include:
   i. Description of inventories;
   ii. Location of inventories;
   iii. Condition of inventories, if applicable, e.g. usability and obsolescence;
   iv. Physical balance as at year end;
   v. Closing balance as per inventory records, e.g. Bin cards, tally cards, balance from the computerised inventory system;
   vi. Justification of differences, if any; and
   vii. Value of inventories

(i) The Store Control Officer shall ensure the preparation of a Goods Received Note (FG-002) for all goods received into stores in good order, quantity, quality and description in accordance with PO.

(j)
i. In case of procurement decision, the head of admin or procurement, shall request items through Requisition for purchase form as prescribed FR-006Original to store;
ii. Duplicate to accounts department;
iii. Triplicate to Requesting division

The material requests from the stores, shall be perform through materials requisition form as prescribed FW-004.

(k) The Store Control Officer shall ensure the preparation of a Goods Issue Note (FG-001) for all goods issued from the stores.

(l) Inventory records (including Bin Cards, Tally Cards, and balance from the computerized inventory system) shall only be updated by Goods received note, goods issue note and **goods return note**. All exceptions shall require the approval of the Comptroller General

(m) For reordering procedures, refer to Section 7.5 *Commitment* and 6.3.1 *Issuance of goods and invoicing* of this Accounting Manual.

(n) For goods received with defects for which a Goods Receive Note has been raised, a Goods Return Note shall be raised before returning the goods to the supplier.

(o) Procedures for articles that need to be deposited for safe custody such as valuables are as follows:
i. The articles are to be recorded in the Articles under Safe Custody Register (RA-002);
ii. A receipt in acknowledgement for the articles deposited is to be issued;
iii. The articles are to be withdrawn only on the written demand of the depositor or authorised person;
iv. The receipt of acknowledgement issued for the articles deposited should be produced when the articles are to be withdrawn; and
v. The articles returned shall be acknowledged by the receiver by signing in the above mentioned register.

12.3. Property, Plant and Equipment

(a) Property, Plant, and Equipment are tangible items that:
i. Are held for use in the production or supply of goods or services, for rental to others, or for administrative purposes; and
ii. Are expected to be used during more than one year.

Examples of PPE are land, buildings, roads, machinery, ships, aircraft, military equipment, motor vehicles, furniture and fixtures, and office equipment.

(b) Accounting Officer shall ensure that all PPE under his control are properly maintained.

(c) The Head of Admin shall be responsible for recording and managing Property, Plant and Equipment.

(d) This Head of Admin shall record all items of PPE in the Fixed Asset Management System. There is no threshold, so even small items purchased under the minor capital outlay shall be recorded in the Fixed Asset Management System. The system shall reflect Form RF-001 *Fixed Asset Register*.

(e) This public officer shall maintain all documents as evidence of ownership of pertaining to all PPE, as applicable.

(f) PPE shall be purchased only under the minor capital outlay, PSIP or acquired through grants, donations and gifts.

(g) Accounting Officer shall ensure that annual verification of all PPE is carried out and certified by a public officer who is independent from PPE management. Head of Accounts shall submit a statement to the Comptroller General which shall include the:

i. Description and asset code of PPE;
ii. Existence and location of PPE;
iii. Condition of PPE if applicable, e.g. usability and obsolescence;
iv. Justification and value of differences, if any; and
v. Value of PPE.

12.4. Loss of inventories and PPE

(a) Losses of inventories and PPE shall be dealt with in accordance with Section 10.5 *Loss of public moneys* of this Accounting Manual.

12.5. Write-off and disposal of inventories and PPE

(a) All inventories and items of PPE which are redundant, obsolete or unserviceable through normal wear and tear are to be written off. Accounting Officer shall request permission from the Principal Secretary of Finance by preparing in triplicate the Write-Off Application Form of PPE (FW-003):

i. Original to Principal Secretary of Finance for approval, supported by the Valuation Report from a licensed reputed valuer and tax liability for duty free items;
ii. Duplicate to the respective Department in the MDA;
iii. Triplicate is retained by the public officer.

For any assets above SCR 1 Million, Principal Secretary of Finance shall request approval from Cabinet of Ministers.

(b) On approval the Principal Secretary of Finance shall distribute the approved Write-Off Application Forms of PPE (FW-003) as follows:

i. Original is retained by Principal Secretary of Finance to update the Write-Off Register (RW-001); and
ii. Duplicate is returned to the respective MDA;
iii. Triplicate is forwarded to the Auditor General.

(c) Head of Admin shall record all items written off in the relevant registers with the appropriate reference to the write off approval.

(d) Redundant, obsolete or unserviceable inventories and PPE are to be dealt with as approved by Principal Secretary of Finance:

i. In the case of handing over inventories and PPE, Form FH-001 *Handing Over Certificate* shall be filled in and signed by both parties in quadruplicate:
   - Original to third party taking over;
   - Duplicate to Accounting Officer;
   - Triplicate to Comptroller General; and
   - Quadruplicate to officer handing over; and
ii. For inventories and PPE with marketable value which are to be sold by public notice, refer to the procedures in Section 12(i) of the PFMR.

13. FINANCIAL REPORTING

13.1. General

This Section deals with in-year reporting and annual reporting.

13.2. In-year reporting

(a) Accountability and good governance are key pillars of Public Financial Management. Information, both for internal and external stakeholders, are thus crucial to achieve this fundamental objective. The PFMA and the PFMR require a number of reports to be prepared and submitted.

(b) This Section sets out the framework for the both in-year and year-end reporting. For reporting in relation to banking and cash management, refer to Section 10 *Banking and cash management* of this Accounting Manual.

(c) The Ministry of Finance has the responsibility to ensure optimum use of resources and thus requires continuous planning and review of the budget. Information on budget execution, both financial and non-financial, and other key indicators are critical for this exercise.

(d) To this end, a number of reports have been developed to standardise the reporting process, facilitate information analysis and initiate corrective action where required.

(e) Amendments to the reports format and submission schedule may from time to time be made by Principal Secretary of Finance. PAM shall prepare these amendments. Principal Secretary of Finance shall communicate such amendments by way of circulars addressed to all Accounting Officers.

(f) The PAM shall follow up on the non-submission of reports within the agreed time frame and notify the Comptroller General of non-compliance.

(g) Appendix 1.4 *Reports In-Year Reporting* lists the reports that are required together with a brief description of the nature, the standard format as well as the established submission schedule.

(h) Head of Accounts shall ensure that a monthly reconciliation between the Ledger balance (TIS) and the Treasury Statement (VAM) is prepared and reviewed using Reconciliation Form (FR-002) as explained below:

i. Items in the Ledger but not shown on the Treasury Statement;
ii. Items in the Treasury Statement but not shown in the Ledger;
iii. Errors in the Ledger; and
iv. Errors in the Treasury Statement.

(i) Accounting Officer shall authorize the Reconciliation Statement (FR-003) and submit this to Chief Accountant, together with Form FR-002 and a copy of the ledger.

(j) If an MDA does not comply with the submission schedule, the Chief Accountant may decide not to execute any payments processed by that MDA.

(k) The Ledger Balance is to agree with the Treasury Statement after taking into account the above items.

(l) The Head of Accounts shall rectify errors in the Ledger.

(m) The Reconciliation Form is then to be used to follow up:

i. Items not in the Ledger but on Treasury Statement which are to be entered in the Ledger with the references and details of voucher copies requested from Treasury, to support the items;
ii. Items in the Ledger but not on Treasury Statement in the subsequent month. Any item outstanding for more than one month should be checked with Treasury and the respective voucher traced;
iii. Errors which are to be corrected by raising a Journal Voucher (FJ-001) in consultation with Treasury; and
iv. Treasury shall correct errors in Treasury Statement in consultation with MDA.

(n) All Reconciliation Forms are to be prepared in duplicate as follows:
   i. Original to Treasury; and
   ii. Duplicate to be retained by MDA.

(o) Head of Procurement shall submit a quarterly Procurement Status Report to the PIAM unit, reporting on progress of the execution of the Annual Procurement Plan, and proposes deviations, if any, from the plan prepared at the start of the financial year. The Procurement Status Report allows procurement planning at the central level by PIAM.

13.3. Annual reporting

(a) This Section provides guidance on the preparation of the financial statements of the Government of Seychelles in accordance with the Constitution, PFMA, PFMR and Cash-basis IPSAS.

(b) The cash basis of accounting recognizes transactions and events only when cash (or cash equivalents) is received or paid.

(c) Receipts are recognised when they are received in a bank account controlled by the Government of Seychelles which may be in a commercial bank account or a bank account at the CBS. Payments are recognised when payment instructions are issued by Treasury.

(d) Public bodies that prepare financial statements shall show the date at which they were authorised for issue and are signed by the Accounting Officer and the Chairperson of the Board. However, financial statements issued by companies incorporated and registered under the Companies Act shall be authorised and signed in accordance with the Companies Act.

(e) The Annual Financial Statements show the date at which they were authorised for issue and are signed by the Minister of Finance and the Chief Accountant.

(f) The Minister, shall after approval by the Cabinet of Ministers and within ninety-one days after the end of each financial year, submit the Annual Financial Statements to the National Assembly and the Auditor General.

(g) The financial statements of Statutory Bodies shall follow the standard form of accounts for Statutory Bodies.

(h) The financial statements shall include a statement of responsibility in which the Chief Accountant confirms:
   i. That the financial statements have been prepared by the Treasury in accordance with the Constitution, PFMA, PFMR and Cash-basis IPSAS;
   ii. That the Treasury is responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance that the transactions recorded are within statutory authority and properly record the use of all public financial resources by the Government of Seychelles; and
   iii. That to the best of his knowledge, this system of internal control has operated adequately throughout the reporting period.

(i) The Annual Financial Statements comprise of the following components:
   i. Ministerial statement;
   ii. Statement of responsibility;
   iii. Table of contents;
   iv. Statement of assets and liabilities;
   v. Consolidated Cash Flow Statement;
   vi. Separate Cash Flow Statement;
   vii. Statement of Comparison of Budget and Actual Amounts;
   viii. Statement of government's investment in Parastatal Organisations and other companies;
   ix. Statement of public debt;
   x. Statement of outstanding guarantees; and
   xi. Notes to the financial statements.

(j) The consolidated cash flow statement includes all ministries, public bodies (as defined in Section 2 of the PFMA) and public enterprises (as defined in the Public Enterprise Monitoring Commission Act) in its scope of consolidation. The separate cash flow statement includes only ministries and public bodies. These cash flow statements analyse changes in cash and cash equivalents during the period, classified by operating, investing, and financing activities. The net change in cash and cash equivalents reconciles with opening and closing cash balances held under the control of the government.

(k) Consolidation shall be on a line-by-line basis. Cash outflows to government-controlled agencies shall not be reported as a lump-sum payment.

(l) As part of the consolidation procedures, cash balances and cash transactions between entities within the economic entity shall be eliminated in full, including but not limited to dividends, subventions, taxes, grants, interest and repayments.

(m) As the public enterprises are required to prepare financial statements in accordance with International Financial Reporting Standards (IFRS) they have an accounting policy choice between the direct method and indirect method cash flow statement. In order to facilitate the consolidation procedure (eliminating the need for adjustments on consolidation), the Minister of Finance requires all public enterprises to prepare a cash flow statement according to the direct method.

(n) Cash flows from interest and dividends received and interest paid shall be classified under the operating activities. Dividends paid shall be classified under the financing activities. Grants received shall be presented under the operating activities.

(o) The notes are an integral part of the financial statements and must be read in conjunction with the financial statements in order to have a complete understanding.

(p) All receipts and payments of the reporting entity, including extra-budgetary receipts and payments, shall be included in the cash flow statements.

(q) The cash flow statements shall report all cash flows during the year on a gross basis, including but not limited to cash flows booked through trade and operating accounts and suspense accounts. This equally applies when revenue and expenditure are budgeted on a net basis in accordance with Section 13 of the PFMA.

(r) Cash inflows and cash outflows related to Treasury-Bills are shown on a net basis on the face of the cash flow statement and on a gross basis in the notes.

(s) Cash-basis IPSAS requires reporting of transactions in the period in which payments to parties outside the government are made. Amounts that are committed in the budget and transferred to separate bank accounts held by individual ministries and public bodies, but not yet paid to suppliers, shall not be reported as payments in the cash flow statement. Rather they shall be recognised as a part of the cash and cash equivalents balances at the reporting date.

(t) All government-controlled bank accounts shall be included in the financial statements, including bank accounts held in the name of ministries and public bodies.

(u) The financial statements shall include a comparison of budget and actual amounts on a comparable basis to the budget. This comparison shall follow the same layout as the budget which follows the GFSM 2014.

(v) The Statement of Assets and Liabilities shall include financial assets and liabilities as far as practicable. In order to comply with the requirements of the Cash-basis IPSAS, these disclosures will need to comply with qualitative characteristics of financial information and shall be clearly described and readily understood.

14. CENTRALISED ACCOUNTS UNIT

14.1. General

(a) In 2013 the Centralised Accounts Unit, part of Financial Planning & Control Division, based at MoFTIEP, was created to undertake Accounting functions of small MDAs. The Unit is controlled by Comptroller General's Office, directed by PAM and supervised by a Head of Accounts.

(b) Head of Accounts is responsbible for the unit and approves all the payment and revenues as per producedures in

Processing of transaction of different transactions are handled by Accounts Technician and usually have three or more MDAs under their portfolio.

(d) Accounts Technician will have to meet with MDAs on a monthly basis and Head of Accounts of Centralised Accounts Unit and PAM on a quarterly basis to discuss about budget constraints, performances, queries and outstanding PO and payments.

14.2. Budget execution

14.2.1. *Virement*

(a) Procedure to apply to deduct fund from one vote to another whenever there is insufficient fund of for activation of code. The Accounts Technician will provide updated budget variances to MDAs to notify them under which code there is savings. The HR Officer should identify codes to use to effect virement. The Accounts Technician will raise virement form and forward to CEO for approval. Upon approval by CEO the Accounts Technician will submit to the Comptroller General's Office for first sight and then to Finance Analyst for verification and approval. The Finance Analyst will give copy to Accounts Technician for submission to Treasury. Accounts Technician should keep a copy of approved virement forms.

14.3. Revenue management

14.3.1. *Supplier form*

(a) The Accounts Technician will raise supplier form and attached NIN/License certificate /Business certificate and Bank card as proof. The Head of Accounts of Centralised Accounts Unit will approve on the supplier's form. Accounts Technician will then submit to Treasury for posting in TIS.

14.3.2. *Debtors' Control Register*

(a) HR Officer shall maintain the Debtors' Control Register, collect revenue and liaise with debtors for outstanding invoices.

(b) HR Officer shall bring cash and cheques collected to the Head of Accounts of Centralised Accounts Unit together with receipts. Head of Accounts shall issue a receipt immediately.

(c) All cash and cheques received are recorded in the cash book.

(d) Accounts Technician shall carry out the banking on the same day or the next working day at the latest.

(e) Accounts Technician shall raise revenue voucher or reimbursement voucher and deposit slip. The Head of Accounts of Centralised Accounts Unit shall authorize the vouchers and cash book. The Accounts Technician will deposit to CBS and submit the vouchers to Treasury.

(f) Accounts Technician shall maintain a copy of the vouchers, the deposit slip and the cash book.

14.4. Expenditure management

14.4.1. ***Authorised signatories***

(a) The Ministry of Finance shall designate authorised signatories for the forms listed in paragraph 7.2.(b).

14.4.2. ***Payment***

(a) All payment must be:

i. Accompanied by requisition form, to not only list all the payment attached, but also state their purpose and codes;

ii. Endorsed by Accounting officer and or Programme manager as approval for payment.

(b) CEO should endorse on invoices and attached relevant supporting documents with payment request.

(c) That all invoices receive has been verified and endorsed by CEO and has been provided with their respective coding.

(d) In cases where the wrong code is used or there's insufficient fund the Accounts Technician should inform the HR & Budget management officer from respective MDAs via email or if there are any queries, remarks should be noted on the invoices and email attached with payment for future references.

(e) Payments period is 10 working days.

(f) Accounts Technician shall request PO and raise Payment Voucher and approve by the Head of Accounts of Centralised Accounts Unit or PAM in the absence of the Head of Accounts of Centralised Accounts Unit.

(g) The Accounts Technician shall submit payment voucher (central copy) and upload list to Treasury for onward transmission of payment.

(h) Only two Accounts Technician should be going to Treasury at a time, to ensure that there is efficient running of the office in case queries may arise or attend to urgency. Head of Accounts of Centralised Accounts Unit should not be going to Treasury for payment or revenue processing except in the event that significant amounts need to be collected.

(i) Process after payment have effected/submitted to Treasury:

i. Cheques shall be collected at Treasury by the MDA's HR officer;

ii. Remittance advice shall automatically deliver in CEO mail or in cases they do not have access, the Accounts Technician shall provide copy to CEO or HR Officer;

iii. Record keeping shall be done by Accounts Technician to keep copy of payment voucher attached to the invoices and other documents according to the MDAs.

14.4.3. ***Petty cash***

(a) HR Officer shall manage the cash imprest of the MDA.

(b) HR Officer shall forward payment request together with receipts and petty cash analysis to Centralised Accounts Unit. The Accounts Technician shall do the recoupment. HR Officer shall complete the petty cash analysis and ensure that all necessary information has been inserted. Accounts Technician shall verify and check that all receipts are attached with petty cash analysis and check if sufficient fund is available.

(c) Accounts Technician shall inform HR Officer when cheque is ready for collection of cash at Treasury. In cases where the HR Officer is absent, Accounts Technician shall collect and hand over cash to MDAs.

(d) At the end of the year the imprest holder shall retire the cash to Treasury. Treasury shall issue a new warrant at the beginning of the next year.

14.4.4. ***Payments in foreign currency***

(a) Invoices and necessary supplier details should be available and correct. Accounts Technician shall fill PISN form. The PISN form is forwarded to CEO for Approval and for stamp. Once the form has been approved the Accounts Technician shall then raise payment voucher and submit for approval by the Head of Accounts of Centralised Accounts Unit. The Accounts Technician shall keep copy of payment voucher and relevant documents attached and to submit to Treasury for processing. The Accounts Technician should follow up for swift confirmation with Treasury and provide payment status to MDAs. Accounts Technician to collect BKTR on a weekly or monthly basis in order to check whether there are variances to adjust in TIS.

14.4.5. ***Payroll***

(a) The HR Officer should send Payroll amendments to Head of Accounts of Centralised Accounts Unit not later than 3rd of the month for verification unless there are last minute resignation or termination. Payroll amendment to be filled by the Admin officer, the Accounts Technician shall assist except for Financial Planning or to MDAs where the HR Officer does not have any knowledge.

(b) Payroll analysis verification before payroll runs shall be done by HR Officer except for those Accounts Technician have prepared.

(c) CEO should endorse on payroll analysis and provide a copy together with pay slip for Accounts Technician to raise payment voucher and records. Second adjustment can be done when doing monthly reconciliation to ensure correct allocation. Payslip to be collected from Treasury by the HR Officer and to provide copy to Accounts Technician.

Accounts Technician shall raise journal and payment vouchers for clearance of salary and then submit at Centralised Payroll Section (Treasury).

(d) For payroll processing who are prepare by the Accounts Technician they shall have to provide copy of payroll amendments and payslip to HR section.

14.4.6. ***Gratuity***

(a) Admin officer shall forward Gratuity form with supporting documents to the Comptroller General's office. Comptroller General's office shall forward the Gratuity form to the Head of Accounts of Centralised Accounts Unit. Head of Accounts of Centralised Accounts Unit shall verify and approve for payment. Gratuity payment shall be deposited into the bank accounts and Accounts Technician shall forward remittance advice. HR shall prepare letters for officers to acknowledge upon receiving their payment.

14.5. Financial Reporting

14.5.1. ***Budget variances and Creditors reports***

(a) Budget Variance and Creditors reports should be submitted to the Head of Accounts of Centralised Accounts Unit on a monthly basis. The Head of Accounts of Centralised Accounts Unit shall monitor the budget and analyse deficit and alert Accounts Technician to clear with virement. Head of Accounts of Centralised Accounts Unit shall submit Creditors listing to Finance Analyst and PAM.

14.5.2. ***Reconciliation***

(a) Head of Accounts of Centralised Accounts Unit shall authorize the FR-003 *Reconciliation Statement* and submit to Chief Accountant, together with FR-002 *Reconciliation Form.*

15. APPENDIX 1. FORMS

Appendix 1.1 Ledgers

Name	No.
Advance Ledger	BA-001
Deposit Ledger	BD-001
Expenditure Ledger	BE-001
Revenue Ledger	BR-001
Trading and Operating Account Ledger	BT-001

Appendix 1.2 Registers

Name	No.
Accountable Documents Register	RA-001
Articles under Safe Custody Register	RA-002
Bank Accounts Register	RB-001
Cash Book Analysis	RC-001
Creditors' Control Register	RC-002
Debtors' Control Register	RD-001
Dishonoured Cheques Register	RD-002
Deposit Register	RD-003
Debtors' Statement	RD-004
Fixed Assets Register	RF-001
Fuel Coupon Register	RF-002
Grants and Donations Register	RG-001
Inventory Register	RI-001
Invoice Register	RI-002
Inward Cheque Register	RI-003
Journal Voucher Register	RJ-001
Land and Buildings Register	RL-001
Losses Register	RL-002
Loose Tools Register	RL-003
Payment Voucher Register	RP-001
Purchase Order Register	RP-002
Revenue Voucher Register	RR-001
Security Documents Register	RS-001
Stale Cheque Register	RS-002
Stock Ledger Control Register	RS-003
Vehicles and Heavy Plant Register	RV-001
Vehicle Repairs Register	RV-002
Write-Off Register	RW-001

Appendix 1.3 Accounting Forms

Name	No.
Accident Report Form	FA-001

Accounting Forms Requisition	FA-002
Application For Payment In Foreign Exchange	FA-003
Application For Virement	FA-004
Bank Reconciliation	FB-001
Bin Card	FB-002
Certificate of Imprest	FC-001
Creation of Accounts Code	FC-002
Cash Flow Forecast	FC-003
Dishonoured Cheques Represented	FD-001
Financial Warrant	FF-001
Goods Issue Note	FG-001
Goods Received Note	FG-002
Goods Returned Note	FG-003
Handing Over Certificate	FH-001
Internal Payment Voucher	FI-001
Internal Virement Form	FI-002
Internal Virement Upload List	FI-003
Invoice	FI-004
Imprest Warrant	FI-005
Journal Voucher	FJ-001
Mileage Claim Form	FM-001
Mileage Log Book	FM-002
New Supplier Form	FN-001
Opening of a Commercial Bank Account	FO-001
Overseas Procurement Form	FO-002
Outstanding Debt Report	FO-003
Outstanding Advances Report	FO-004
Paying-in Slip (Cash)	FP-001(a)
Paying-in Slip (Cheques)	FP-001(b)
Payment Voucher	FP-002
Payment Voucher Uploaded List	FP-003
Petty Cash Analysis Book	FP-004
Petty Cash Voucher	FP-005
Purchase Order	FP-006
Procurement Progress Report	FP-007
PAM Monthly Report	FP-008
Receipt	FR-001
Reconciliation Form	FR-002
Reconciliation Statement	FR-003
Reimbursement Voucher	FR-004
Request for Vehicles Repair Forms	FR-005

Requisition for Purchase Form	FR-006
Revenue Voucher	FR-007
Revenue Voucher Upload List	FR-008
Reversal Voucher	FR-009
Reimbursement of Government Guaranteed Debt	FR-010
Salary Input Form - Overtime Authorisation	FS-001
Salary Input Form - Periodic Allowance	FS-002
Salary Input Form - Periodic Deduction	FS-003
Salary Input Form - Salary Transfer Authorisation	FS-004
Salary Input Form - Standing Data For Employee	FS-005
Specimen Signature Form	FS-006
Suspense Account Listing	FS-007
Vehicle Log Book	FV-001
Voucher Batch Control	FV-002
Works Order	FW-001
Write-Off Application Form of Accounts	FW-002
Write-Off Application Form of PPE	FW-003

Appendix 1.4 Reports In-Year Reporting

	Name of the report	Description	Source	Frequency and Deadline	Reports From	To	Reference no.
	Account management report	This report provides information to the Public Accounts Management Section of the Ministry of Finance to enable an assessment of budget execution status as well as on other issues that will need intervention to thrash out issues. Key information contained in the report includes: • Budget execution report with both financial and non-financial indicators • Dishonoured cheque • Status of reconciliation MDAs will have to submit the report to the PAM	No requirement	Monthly. Not later than 14 working days after month end.	MDAs	PAM	FP-008
	Monthly Budget Variance Report	This report will show the Budget outturn for the different economic items under the respective programmes on a monthly basis. PAM prepares this report on the basis of monthly returns from MDAs and submitted to the Permanent Secretary for submission to Minister, CBS and IMF.	PFMR 58(1)	Monthly. Not later than 14 working days after month end.	MDAs	PAM	

	Name of the report	Description	Source	Frequency and Deadline	Reports From	To	Reference no.
	Bank reconciliation commercial banks	The Bank reconciliation exercise will ensure that all transactions have been properly recorded and also highlight discrepancies between the cash book and the bank account. It will thus allow prompt corrective action. The Treasury will then consolidate and submit a report on the status of reconciliation to the PAM	PFMR 20(3)c	Monthly. Not later than 14 working days after month end.	MDAs	Treasury	FB-001
	Ledger reconciliation	Transactions are recorded and processed on the TIS and the accounts generated from VAM. This report will show the discrepancies between the two sets of records and corrective action to be initiated both at MDA and Treasury level.	PFMR 68	Monthly. Not later than 14 working days after month end.	MDAs	Treasury	**FR-002** **FR-003**

	Name of the report	Description	Source	Frequency and Deadline	Reports From	To	Reference no.
	Suspense accounts	The Suspense accounts are used to record transactions for which details are not available and this cannot be classified under specific economic item. The report will be used to track and subsequently account for these transactions under the correct budget codes. These also includes dishonoured cheques. Detailed guidance on the operation of the suspense account is given at Section 9.7 of this Accounting Manual. Consolidated report from the Treasury will then be submitted to the CG.	PFMR 6.b	Monthly. Not later than 14 working days after month end.	MDA	Treasury	FS-007
	Cash outturn report	The report highlights the variance between the actual and planned cash flows.	PFMR 23.d	Monthly. Not later than 14 working days after month end.	Treasury	CG	**FC-004**
	Report on Outstanding Debt	Reports on outstanding debtors which includes an ageing analysis. The report will enable both monitoring at MDA level and also at MINFIN level. The report may also be used to notify MDA's of regular defaulters for preventive action.	PFMR 50	Quarterly. Not later than 14 working days after month end.	MDAs	PAM	**RD-001** FO-003
	Outstanding creditors	Report to be submitted to MINFIN to enable proper monitoring of trade liabilities and ensure budgetary provisions as well as cash available to meet such obligations.	PFMR 24.f	Quarterly. Not later than 14 working days after month end.	MDAs	PAM	**RC-003**

	Name of the report	Description	Source	Frequency and Deadline	Reports From	To	Reference no.
	Report on revolving funds	The revolving fund is used to record funds form donor agencies for accomplishment of specific projects/activities. The report should show by donor and project the amount received, spent and balance to date.	No requirement	Quarterly. Not later than 14 working days after month end.	MDAs	Treasury	
	Quarterly report on capital projects	In the prescribed format in an integrated manner with quarterly report on recurrent expenditure (i.e. relating to operations and maintenance of capital project), so as to ensure sufficient funding requirement and prevent project delays. A quarterly report is then submitted to the Cabinet of Ministers.	PFMR 51(1)r, PIM Policy	Quarterly. Not later than 14 working days after month end.	MDAs	PIAM	
	Quarterly report to Parliament	The National Assembly is updated on a quarterly basis of the budget execution status as well as other salient features of the economy.	No requirement	Quarterly. Not later than one month after month end.	MINFIN	Parliament through Cabinet of Ministers	
	Procurement status report	Reporting on progress of the execution of the Annual Procurement Plan, and proposes deviations, if any, from the plan prepared at the start of the financial year.	Accounting Manual, paragraph 13.3	Quarterly. Not later than 14 working days after month end.	MDAs	PIAM	FP-007
	Mid-year report to Parliament	Mid-year fiscal statement report	PFMA 31, PPBB Guideline	Annually. End of August	MDAs	MINFIN	