



MONTSERRAT

S.R.O. 15/2002

PROCUREMENT AND STORES REGULATIONS

S.R.O. 15/2002 .. in force 25 January 2002

Amended by S.R.O. 11/2012 (Repeal Part III – Regulation 8 - 27)

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PROCUREMENT AND STORES REGULATIONS – SECTION 57

(S.R.O. 15/2002)

Commencement

[25 January 2002]

PART I

PRELIMINARY

Short title

1. These Regulations may be cited as the Procurement and Stores Regulations.

Interpretation

“**Act**” means the ¹Finance (Administration) Act;

“**Allocated Stores**” means stores the cost of which is chargeable directly to an appropriate sub-head of expenditure;

“**Expendable Stores**” means stores of a consumable nature which may be issued in bulk without subsequent records of detailed issues;

“**Stores**” means stores including stores of plant, equipment, machinery, tools and vehicles being the property or in the possession or under the control of the Government;

“**Un-allocated Stores**” means stores the cost of which is chargeable to a general sub-head of expenditure and which cannot be charged directly to an appropriate sub-head of expenditure until they are issued for the specific work or service concerned;

“**Un-expendable Stores**” means stores which are closing not of a consumable nature and which have a life assigned to them and which will remain on ledger charge whether in use or in store until they are written-off or disposed of.

PART II

RESPONSIBILITY FOR THE CARE AND CUSTODY OF STORES

Accounting Officer

3. (1) Every accounting officer shall be responsible for—
 - (a) the care and custody of all stores received, held or disposed of by or on behalf of his department;

¹ Finance (Administration) Act replaced by the Public Finance (Management and Accountability) Act 208 (No. 7 of 2008)

(b) the proper accounting for all receipts and issues of stores in his department.

(2) Every accounting officer shall ensure that regular checks are made for the verification of physical stocks and ledger balances of stores under his control.

(3) Every accounting officer shall ensure that stores under his control are inspected regularly and reports made to him with respect to the sufficiency and security of storage and the general condition of stores and storage facilities.

(4) At least once every year an accounting officer shall cause all weights, measures, and scales used in his department to be examined by an inspector of weights and measures.

Storekeeper

4. (1) Every storekeeper shall in respect of stores under his control be responsible for—

- (a) the checking, handling and storage of stores received by him;
- (b) the checking, packing and dispatch of stores issued from stocks;
- (c) the correctness of stock balances;
- (d) the occurrence of losses, deterioration, wastage or irregular issues;
- (e) the safe custody and security of allocated or un-allocated stores.

(2) Every storekeeper shall carry out monthly checks of stores on hand against the stores ledger or bin cards and shall report to the accounting officer any surpluses, shortages, deterioration, wastage, damage, un-serviceability or obsolescence of stores under his control.

(3) Every storekeeper shall ensure that stocks are maintained to the required level and shall not permit any shortages or excesses to occur.

(4) Every storekeeper shall ensure that storerooms are kept clean, properly ventilated and secure from fire and unauthorized entry.

Stores Accountant

5. (1) Every accounting officer shall designate a suitable officer to perform the duties of stores accountant.

(2) A stores accountant shall be responsible for—

- (a) maintaining proper records of receipts and issues of stores;
- (b) ensuring that procurement of goods is in accordance with these Regulations;
- (c) reconciling stocks on hand with financial records;
- (d) assist in the annual survey of stores and the verification of stock balances;
- (e) exercising general control over the rate of consumption of expendable stores;

- (f) preparing documents and performing accounting functions for the procurement of goods.

Key holders

6. (1) Accounting officers shall nominate in writing officers who will be responsible for holding keys to storage areas.

(2) Store keys, when not in use, shall be secured against unauthorized use by any other person.

(3) Duplicate keys to storerooms shall be secured by the responsible accounting officer.

(4) A key holder shall be responsible for any loss from a storage area due to the loss of a key or to any failure on his part to comply with these Regulations.

Other Officers

7. Every officer is responsible for stores under his control or in his custody.

PART III

PROCUREMENT OF STORES AND SERVICES

(Part III Repealed by S.R.O. 11/2012)

PART IV

ALLOCATED STORES

Use of allocated stores

28. (1) Except as otherwise provided, allocated stores shall be issued to and used on the service or project to which such stores have been charged.

(2) Allocated stores shall not be issued for use on any other service or project except on the authority of the accounting officer.

(3) Allocated stores issued for use on any other service or project shall be accounted for by journal entry transferring the charge to the service or project on which the stores are used.

Allocated Stores Ledger

29. An allocated stores ledger shall be maintained in such manner as may be approved by the Accountant General from time to time.

Storage of allocated Stores

30. Accounting officers shall ensure that allocated stores are securely stored and physically separate from un-allocated or any other stores.

PART V

UN-ALLOCATED STORES

Accounting for Stores

31. (1) An accounting officer responsible for maintaining un-allocated stores shall ensure that accurate accounts are maintained for all receipts and issues of such stores.

(2) Un-allocated stores shall be accounted for by both quantities and values and the accounts shall indicate the unit cost of each item of stores.

Stock limits

32. Every accounting officer responsible for un-allocated stores shall ensure that the total value of stores on hand at any time does not exceed the authorized stock limit.

Pricing of stores

33. (1) The price of un-allocated stores for accounting purposes shall be determined on the basis of a unit of quantity and shall include the invoice price, freight, insurance, inspection fee, local transportation, handling and all other charges related to the purchase and storage of such stores.

(2) No other expense shall be charged against un-allocated stores which are not taken into account in the costing of the value of the stores.

(3) The issue price per unit shall be arrived at by dividing the total cost of an item of stores by the number of units of quantity and will be fixed at the nearest whole cent.

(4) The issue price per unit shall be revised whenever new purchases are made to replenish any particular item of stores.

(5) When on calculating an issue price per unit the total cost is not divisible by the number of units, the amount over or under the cost price shall be accounted for in a price adjustment account.

Un-allocated Stores Ledger

34. (1) Un-allocated stores ledgers shall be maintained in such manner as may be determined by the Accountant General from time to time.

(2) Where for any reason it becomes necessary to introduce new un-allocated stores ledgers with the opening balances based on the physical stocks on hand and not on the closing balances in the previous ledgers, the full circumstances necessitating the use of physical stock balances shall be reported to the Accountant General whose prior approval shall be obtained before the new ledgers are put into use.

(3) The balance and value of each item of stores shall be recorded whenever a receipt or issue is made.

Stock valuation lists

35. (1) As soon as possible after the end of each financial year, an accounting officer responsible for un-allocated stores shall cause to be prepared a stock valuation

list showing the numerical and financial balances for each item of stores in the un-allocated stores ledger.

(2) Signed copies of the stock valuation list shall be submitted to the Financial Secretary and the Auditor General.

(3) If at any time the total value of stock exceeds the authorized limit, the accounting officer concerned shall report immediately to the Financial Secretary explaining the reasons for the excess.

(4) Stock held in excess of the authorized limit may be treated in the accounts in the same manner as unauthorized expenditure and the accounting officer concerned may be held responsible therefor.

Tabular summary

36. (1) As soon as possible after the close of each financial year every accounting officer responsible for un-allocated stores shall cause to be prepared a tabular summary in respect of each un-allocated store.

(2) Signed copies of the tabular summary shall be submitted to the Financial Secretary and the Auditor General.

Bin cards

37. (1) Bin cards shall be kept by each storekeeper for each item of un-allocated stores for the purpose of recording receipts, issues and balances on hand by quantities.

(2) The officer-in-charge of the un-allocated store shall, at least once every quarter check the balances on the bin cards against the balances shown in the un-allocated store ledger and shall investigate and report any discrepancies.

(3) A copy of any report prepared by the officer-in-charge shall be submitted to the accounting officer concerned.

PART VI

FURNITURE AND OFFICE EQUIPMENT

Responsibility for furniture and equipment

38. Responsibility for the accounting for and control of furniture and equipment rests with the following departments, which for the purpose of this Part shall be termed "the controlling department".

Furniture and equipment for Government offices	The Ministry or Department in possession
Furniture, furnishings and equipment for Government Quarters	Establishment Department
Furniture and Equipment for institutions and other establishments	The Ministry or Department responsible for the institution or Department

Sale custody and care of furniture and equipment

39. (1) The controlling department shall be responsible for furniture and equipment issued to it or to institutions and establishments under its control.

(2) The occupants of Government quarters or other residences assigned to them shall be personally responsible for any furniture, furnishings or equipment provided for their use.

Master Control Registers to be kept

40. (1) The controlling department shall maintain a master control register in which shall be recorded all purchases and issues of furniture and equipment.

(2) The master control register shall include a record of the departments, institutions and establishments to which furniture and equipment have been issued.

Inventories to be maintained

41. (1) Accounting officers shall ensure that inventories of furniture and equipment are maintained in all offices, institutions and establishments under their control.

(2) No item of furniture and equipment shall be removed from any inventory except on the written authority of the Financial Secretary.

Inventories to be checked

42. Accounting officers shall ensure that all inventories are checked against physical stocks on hand at least once a year and whenever there is any change of the officer in charge of an office, institution or establishment or of an occupant of Government quarters or Government assigned residence.

Discrepancies in inventory holdings

43. (1) Accounting officers shall report to the controlling department any discrepancies found during inventory checks of furniture and equipment.

(2) Discrepancies found at a handing over of inventory holdings shall be dealt with in accordance with regulation 100.

Authority for write-off

44. (1) All furniture and equipment shall remain on charge in the master control register and in departmental inventories until authority to write-off has been given by the Financial Secretary.

(2) Un-serviceable or obsolete items of furniture and equipment shall be dealt with in accordance with regulation 89.

PART VII**BUILDINGS, PLANT, EQUIPMENT AND TOOLS**

Responsibility for plant, equipment and tools

45. (1) Accounting officers shall be responsible for all buildings, plant, equipment and tools assigned to departments under their control.

(2) Notwithstanding paragraph (1), any officer to whom plant, equipment and tools have been issued shall bear personal responsibility for such plant, equipment and tools until they are returned into store or are condemned and disposed of in accordance with regulation 89.

Register to be kept

46. (1) All items of plant and equipment shall be entered in a plant and equipment register which shall record—

- (a)* the description of the plant or equipment;
- (b)* the name of the manufacturer;
- (c)* the registration and serial numbers;
- (d)* the date received;
- (e)* the source of supply;
- (f)* any period of warranty;
- (g)* ancillary equipment and spares supplied.

(2) A tools register shall be maintained for all items of tools received and issued for use.

Plant Operating records

47. Accounting officers shall ensure that plant operating records are maintained for plant equipment in which shall be recorded details of operating house, down time, servicing, overhauls and repairs.

Log books

48. (1) Accounting officers shall ensure that log books are kept in respect of each vehicle or other equipment assigned to his department.

(2) Log books shall be in such form as the Accountant General may approve from time to time and shall be used to record—

- (a)* details of travelling done or work performed;
- (b)* details of oils, fuels and spares used;
- (c)* details of servicing or repairs;
- (d)* authorization for travel or other operation.

(3) Accounting officers shall designate authorized officers who shall be responsible for checking log books and reporting on any misuse of or damage to vehicles or equipment assigned to their departments.

(4) Accounting officers shall ensure that log books are checked at least once every month and that reports of misuse of or damage to vehicles or equipment are submitted to the Financial Secretary.

(5) If it is proved to the satisfaction of the Financial Secretary that an officer should be held responsible for any misuse of or damage to any vehicle or equipment assigned to him or to his control, such officer may be liable under Part XII of the Act.

Stocks to be verified

49. (1) At least once every 6 months accounting officers shall cause checks to be made to verify stocks of plant, equipment and tools against the balances shown in the plant and equipment register or the tools register as the case may be.

(2) Any deficiencies found in stocks shall be reported at once to the Financial Secretary.

(3) A copy of any report on deficiencies discovered shall be sent to the Auditor General.

Register of buildings

50. The Accountant General shall maintain a register of all permanent Government buildings in which shall be recorded—

- (a) the description of designation of the building;
- (b) date of completion or purchase;
- (c) plan reference;
- (d) site reference;
- (e) prime cost or purchase price;
- (f) cost and date of structural alterations.

PART VIII LIVESTOCK

Records to be kept

51. (1) Accounting officers shall ensure that records are kept of any livestock assigned to or maintained by their departments.

(2) Such records shall show the date of receipt, sale, transfer or death of the animals, any additions due to re-production and the total number of each category on charge.

Sale of livestock

52. When any animal is sold the weight, selling price and receipt number shall be entered in the records.

Death of livestock

53. (1) In the event of death of any animal any certificate of death and disposal shall be obtained from a Veterinary Officer or any other officer authorized to issue such certificate.

(2) The cause of death and the manner of disposal shall be entered in the records.

Checks to be made

54. Accounting officers shall ensure that at least twice every year the number of animals in stock is checked against the number shown in the records.

Surpluses or deficiencies

55. (1) Accounting officers shall investigate any surpluses or deficiencies in stock reported to them, and if it becomes necessary to do so, submit a report to the Financial Secretary.

(2) A copy of any report on deficiencies discovered shall be sent to the Auditor General.

(3) If it is proved to the satisfaction of the Financial Secretary that any officer should be held responsible for the death of any animal or for any loss or deficiency in stock, such officer may be liable under Part XII of the Act.

PART IX

RECEIPTS

Stores to be received in stock

56. Except for goods purchased in small quantities for immediate use, all goods received shall be taken into allocated or un-allocated stores as may be appropriate.

Stores received vouchers

57. (1) All goods received shall be entered on a stores received voucher which shall be supported by one of the following—

- (a) invoices or bills;
- (b) the triplicate copy of local purchase orders;
- (c) in the case of stores received from un-allocated stores into allocated stores a copy of the stores issue vouchers;
- (d) the original copy of a stores conversion form.

(2) Stores received vouchers shall be in duplicate and shall be pre-numbered serially or in such other form as may be approved by the Accountant General.

Stores conversion form

58. (1) Where stores are issued from a store for conversion into a different article, the article produced shall be received back into the same store and shall be supported by a stores conversion form.

(2) Stores conversion forms shall be prepared in duplicate and shall record in detail the quantities and values of the stores converted and the quantities and values of the article produced.

Unused stores

59. Stores which have been issued but not used shall be returned to the original store and taken on charge on a stores received voucher at the current issue price irrespective of the price at which they were originally issued.

Used stores

60. (1) Used stores which are no longer required for the purpose for which they were issued shall be returned to the original store and taken on charge on a stores received voucher.

(2) Used stores shall be kept separate from general stores whether allocated or un-allocated.

Surplus stores

61. Surplus stores found by a board of survey or as a result of stock verification, internal stock-taking or over-delivery shall be taken on charge on a stores received voucher.

Verification of deliveries

62. (1) It shall be the responsibility of any officer receiving goods to ensure that goods received are in accordance with goods invoiced.

(2) No payment for goods shall be made except on a certificate by the receiving officer that such goods have been correctly delivered and received into store.

Examination of goods

63. (1) As soon as possible after the receipt of goods, the receiving officer shall examine every item, package or other container to ensure that the goods making up the consignment are exactly equal to the quantity and specifications shown on the accompanying invoices, delivery notes, packing-slips or other documents.

(2) A certificate of examination shall be prepared and signed by the receiving officer.

(3) Any damaged or spoilt goods shall be recorded in detail on the certificate of examination.

(4) Perishable food items shall be examined immediately and any spoilage or any item considered to be unfit for the purpose intended shall be reported to a Public Health Officer who shall issue a certificate of condemnation in respect of such items.

Bulk supplies

64. (1) Bulk supplies shall be checked on discharge and on receipt into stores.

(2) The contents of broken containers and any quantities retrieved from sweepings shall be accounted for before any shortages are determined.

Delivery of stores

65. (1) All stores transferred on any vehicle or vessel shall be accompanied by a delivery slip which shall be signed by the officer consigning the stores and the driver of the vehicle or vessel.

(2) The officer receiving such stores shall check the quantities delivered against the quantities shown on the delivery slip.

(3) A copy of the delivery slip signed by the receiving officer shall be returned to the consigning officer with notation of any shortages or surpluses discovered.

Stores received short

66. (1) In all cases where stores have been received short or damaged the receiving officer shall immediately report the shortage or damage to the accounting officer.

(2) The accounting officer shall immediately investigate such shortage or damage and shall, as soon as possible thereafter, report the matter to the Financial Secretary.

(3) If it is proved to the satisfaction of the Financial Secretary that any officer should be held responsible for any such shortage or damage, such officer may be liable under Part XII of the Act.

Accounting procedure where goods are received short or damaged

67. (1) Where goods are received short or damaged the quantity shown on the invoice or bill shall be taken on charge.

(2) A stores issue voucher shall be issued for the quantity of goods found short or damaged which shall be charged against the appropriate head of expenditure.

Claims register

68. (1) Goods received short or damaged shall be accounted for in a claims register.

(2) No claim shall be considered settled until either the value has been recovered in full or the authority of the Financial Secretary has been granted to write-off or waive the claim.

(3) Any recovery in respect of a claim shall be entered in the claims register.

Reusable containers

69. Wherever it is economical to do so reusable containers shall be returned to the suppliers as soon as possible after the discharge of goods.

PART X**ISSUES****Issue of Stores**

70. Stores shall not be removed from allocated or un-allocated stores except on the authority of a stores requisition duly signed by an authorized officer.

Stores issue vouchers

71. (1) On receipt of a requisition for un-allocated stores, the officer in charge of stores, if he is satisfied that the requisition is in order and the stores requisitioned are in stock, shall prepare or caused to be prepared a serially numbered stores issue voucher in triplicate.

(2) Stores issue vouchers shall be signed by the officer in charge of stores or any other officer specifically authorized to do so.

(3) The officer receiving the stores shall sign the original and duplicate copies of the store issue voucher in acknowledgement of the receipt of the stores.

(4) The original copy of the store issue voucher shall be retained by the officer in charge of stores for accounting purposes.

(5) The duplicate copy of the stores issue voucher shall be returned to the requisitioning officer.

(6) The triplicate copy shall be sent to the Auditor General.

Stores to be charged

72. Subject to the provisions of regulations 73 and 74 stores issue vouchers shall indicate the expenditure head and item number to which the charge should be made.

Stores issued for conversion

73. Stores may be issued from un-allocated stores for conversion to a different article on the authority of a conversion form duly signed by an authorized officer.

Sale of Stores

74. (1) Un-allocated or allocated stores may be sold to private persons only on the authority of the accounting officer.

(2) An official receipt for the full value of stores to be sold shall be presented together with the requisition for the release of stores.

(3) The officer in charge or any other officer authorized by him shall prepare a stores issue voucher for the quantity and value of the stores sold.

Responsibility of officers signing stores issue voucher

75. Any officer who signs a stores issue voucher shall be responsible for ensuring that the voucher is accurate and complete in all respects and that the stores to be issued correspond with the requirements for the stores requisition signed by the authorized officer.

Issue before stores are priced

76. (1) If, in an emergency, stores are required to be issued before the prices are determined, a store issue voucher shall be prepared showing the quantities of stores issued with the notation “prices to follow”.

(2) As soon as possible after the prices of the stores have been determined, a debit advice shall be sent to the requisitioning officer for the full cost of the stores issued.

Monthly summaries of issues

77. (1) As soon as possible after the end of each month the officer in charge of stores shall prepare a monthly summary of stores issued from un-allocated stores in such form as may be approved by the Accountant General.

(2) The original copy of the monthly summary of stores issued shall be submitted to the Accountant General for accounting purposes.

PART XI**STOCK VERIFICATION****Appointment of stock verifier**

78. The Financial Secretary shall have the power to appoint a stock verifier whenever it becomes necessary to verify stock holdings in any department.

Duties of stock verifier

79. The duties of a stock verifier shall include—

- (a) the detailed comparison of stores ledger balances, bin card balances and inventory balances with the physical stock on hand;
- (b) the initial investigations into the reasons for any discrepancies;
- (c) an assessment of the security and storage arrangements and safeguards against loss, fraud and other irregularities;
- (d) an assessment of the management of stocks with special regard to overstocking, wastage and obsolescence;
- (e) checking and evaluating inventory holdings;
- (f) the identification of unserviceable or obsolete stores;
- (g) supervising the disposal of condemned stores;

(h) any other duties assigned by the Financial Secretary.

Stock to be verified

80. The Financial Secretary may at any time arrange for stores held in any department to be verified by a stock verifier.

Report of stock verifier

81. (1) The stock verifier shall report to the Financial Secretary on any discrepancy, defects, obsolescence or damage or any deficiency in the arrangements for accounting, storage, security and other safeguards which have come to his notice during the stock verification.

(2) The Financial Secretary, on receipt of the stock verifier's report, may require the accounting officer concerned to answer to any discrepancy, defect, damage or deficiency discovered by the stock verifier.

Inspection of stores

82. (1) Every accounting officer shall arrange for stores under his control to be inspected at least twice each year.

(2) The inspecting officer shall report to the accounting officer any loss, leakage, damage, wastage, deterioration or irregularity observed in the course of his inspection.

(3) The accounting officer shall, on receipt of the inspecting officer's report, take immediate action to correct any defects, deficiencies or irregularities reported.

PART XII SURVEY OF STORES

Appointment of board of survey

83. (1) The Financial Secretary may at any time appoint a board of survey to check allocated or un-allocated stores held in any department.

(2) A board of survey shall consist of not less than 2 persons one of whom shall be designated chairman.

(3) Copies of the letters of appointment of the members of a board of survey shall be sent to the accounting officer concerned and the Auditor General.

(4) No officer of the Audit Department or of the department in which the survey is to be carried out shall be appointed as a member of the board of survey.

Method of conducting

84. (1) Unless otherwise directed in the letter of appointment, a survey of stores shall include a complete check of quantities of all stores on hand or in the process of conversion.

(2) The quantities found shall be compared with the quantities shown in the stock ledger and bin cards and any discrepancies found shall be noted for inclusion in the survey report.

(3) Stores which appear to be unserviceable or obsolete shall be entered on a form prescribed for that purpose with recommendations for their condemnation or disposal.

(4) Stores which are found to be in excess of the balances shown in the stores ledger shall be brought to account on a stores receipt voucher.

Report of board of survey

85. (1) The chairman of a board of survey shall, immediately after the completion of a survey, submit a report on the survey signed by him and the other members of the board, to the Financial Secretary.

(2) Copies of the report shall be sent to the accounting officer concerned and the Auditor General.

(3) The board of survey's report shall include the following—

- (a) the opinion of the board on the condition and adequacy of storage and storage facilities;
- (b) the opinion of the board on the effectiveness of security arrangements and safeguards against fire and deterioration;
- (c) a statement on any difficulties experienced by the board in carrying out its duties;
- (d) a list unexplained surpluses and shortages together with any comments or remarks thereon which the board may consider necessary;
- (e) a list of stores which, in the opinion of the board, are unserviceable or obsolete;
- (f) a certificate that the procedure laid down in regulation 84 have been followed.

(4) The Financial Secretary may after considering the recommendations of the board of survey issue such directions as he deems necessary.

(5) Within 3 months of any directions given by the Financial Secretary the accounting officer concerned shall report to him of actions taken in pursuance of such directions.

PART XII

CONDEMNATION AND DISPOSAL OF STORES

Appointment of board of condemnation

86. (1) The Financial Secretary may, on the recommendation of an accounting officer, a stock verifier or a board of survey, appoint a board of condemnation to

inspect stores which have been reported to be unserviceable or obsolete and to make recommendations for their disposal.

(2) Any board of condemnation appointed under paragraph (1) shall consist of—

(a) a stock verifier; or

(b) not less than 2 officers, one of whom shall be designated chairman.

(3) Except where technical considerations make it unavoidable, no officer of the department responsible for the stores to be condemned shall be appointed to the board of condemnation.

(4) An officer of the Audit Department shall not be appointed to any board of condemnation.

(5) The Financial Secretary shall notify the accounting officer concerned of the appointment of the board of condemnation.

(6) The stock verifier or the chairman of the board of condemnation as the case may be shall notify the accounting officer concerned of the place and time of the inspection of the stores to be condemned.

(7) Any officer appointed to serve on a board of condemnation shall report immediately to the Financial Secretary if he is unable to do so and shall give valid reasons for his inability to serve.

Method of conducting board of condemnation

87. (1) The board of condemnation shall inspect each item of the stores to be condemned.

(2) The board of condemnation shall identify each item listed and shall determine whether or not the items identified are unserviceable or obsolete.

(3) The accounting officer concerned or any officer authorized by him shall be present during the inspection by the board of condemnation.

Report of board of condemnation

88. (1) The stock verifier or the chairman of the board of condemnation shall, immediately after the inspection, submit a report signed by himself and, in the case of a board, by the other members of the board, to the Financial Secretary.

(2) Copies of the report shall be sent to the accounting officer concerned and the Auditor General.

(3) The report shall identify the stores which, in the opinion of the board, should be condemned and shall include recommendations for their disposal.

(4) The board shall report on any cases of misuse, abnormal damage or deterioration or any other cause which, in the opinion of the board, have contributed to the unserviceable or obsolete condition of the stores inspected.

(5) The Financial Secretary may after considering the recommendations of the board of condemnation issue such directions as he deems necessary.

Disposal of condemned stores

89. (1) Accounting officers shall ensure that condemned stores authorized to be written off and destroyed are disposed of in the manner directed by the Financial Secretary.

(2) The accounting officer concerned shall appoint an officer or officers of his department to carry out the destruction or disposal of the stores.

(3) The stock verifier or a member of the board of condemnation shall witness the destruction or disposal of the stores.

(4) The accounting officer concerned shall prepare a list of the stores destroyed or disposed of for submission to the Financial Secretary together with the following certificate—

“I hereby certify that the stores listed have been destroyed or disposed of by (method of destruction or disposal) in accordance with the Financial Secretary’s directions as given in (reference to authority) dated in the presence of the witness who has signed below.

Signed
(witness)	Accounting Officer
Name	Designation
Designation.....	Department
Date	Date

(5) Copies of the list together with the certificate shall be sent to the Financial Secretary, the Auditor General and the Accountant General.

Sale of condemned stores

90. Condemned stores may be sold by public auction, by public tender or in any other manner authorized by the Financial Secretary.

Gift of condemned stores

91. Subject to regulation 43 of the Act, the Financial Secretary may authorize the gift of condemned stores to educational, scientific, cultural or charitable institutions or organizations.

Condemnation by accounting officer

92. (1) Notwithstanding any other provisions in these Regulations (but subject to paragraph (4), accounting officers may, in any financial year, condemn and dispose of small quantities of un-expendable stores which normally have a short life (as in the case of glass ware, china, cooking utensils, small tools, and medical instruments, brushes and similar articles.

(2) The accounting officer shall submit a list of the items of stores, including the value of each item condemned and disposed of to the Financial Secretary together with the following certificate—

“I hereby certify that I have personally inspected the stores listed which have become unserviceable through fair wear and tear and that they have been disposed of by (method of destruction or disposals)

Signed

Accounting Officer

Designation

Department

Date

(3) Copies of the list of stores destroyed or disposed of shall be sent to the Auditor General and the Accountant General.

(4) In any financial year the value of stores condemned or disposed of under paragraph (1) shall, in the case of—

(a) a single item, not exceed \$; and

(b) more than one item, not exceed \$..... .

Accounting for stores destroyed or disposed of

93. Whenever the destruction, disposal, sale or gift of condemned stores has been authorized by the Financial Secretary or the accounting officer as the case may be, a stores issue voucher shall be prepared by the officer in charge of stores before such stores are removed from stock.

PART XIV

LOSSES OF STORES

Definition of loss

94. In this Part, the term “loss” includes damage or deterioration arising other than from fair wear and tear.

Initial report of loss

95. (1) An accounting officer shall report immediately to the Financial Secretary any loss of stores which occur in the department for which he is responsible.

(2) An initial report shall be made in every instance whether or not restitution has been made and such report shall not be delayed to enable investigation to be carried out or restitution to be sought.

Investigation of losses

96. An accounting officer shall cause an immediate investigation to be made into any loss of stores occurring in the department for which he is responsible, and in cases where misappropriation, theft or fraud is suspected, he shall report the loss immediately to the Police.

Final report of loss

97. (1) An accounting officer shall, as soon as possible after the investigation into any loss is complete, report to the Financial Secretary on the result of the investigation.

(2) Any such final report shall include the following—

- (a) the nature of the loss and the quantity and book value of the stores involved;
- (b) the place and date of the loss;
- (c) the circumstances in which the loss occurred;
- (d) an opinion as to whether the loss was due to a fault in the accounting or store-keeping system;
- (e) a statement on whether misappropriation, fraud, negligence or irregularity was involved;
- (f) the name and designation of the officer or officers responsible for the loss;
- (g) the reasons why internal checks and controls failed to prevent the loss;
- (h) the measures taken or recommended to prevent a recurrence of similar losses;
- (i) an account of any restitution or recovery of the loss;
- (j) advice on any action already taken against the officer responsible for the loss;
- (k) recommendations for any disciplinary or other action required;
- (l) a report by the Police, if applicable.

Write-off of losses

98. The Financial Secretary may authorize the write-off of any loss reported to him if he is satisfied that it is just and reasonable to do so.

Accounting for losses written-off

99. A Stores Issue Voucher shall be prepared for any lost stores for which authority to write-off has been granted, provided that in the case of negligence or other irregularity the value of the stores shall be charged against an advance account in the name of the officer responsible for the loss.

PART XV

HANDING OVER OF STORES

Procedure for handing over of stores

100. (1) Whenever a storekeeper or other officer responsible for stores is proceeding on leave or transfer or will be absent from his office for any other reason, the accounting officer responsible for such stores shall arrange for the handing over of the stores to another officer.

(2) The procedure for handing over of stores shall be as follows—

- (a) the physical stock of stores shall be checked in detail by the incoming officer and by the outgoing officer and compared with the balances in the stores ledger or inventory;
- (b) the incoming officer and the outgoing officer shall sign a handing over certificate in the form prescribed for that purpose.

(3) The outgoing officer shall endorse a statement listing any deficiencies or defects found during the handing over, which shall be attached to the handing over certificate.

(4) The incoming officer shall submit the handing over certificate to the account officer immediately after it has been signed.

(5) The outgoing officer shall be responsible for all deficiencies or defects reported at the handing over.

Procedure when outgoing officer is unable to attend

101. (1) If the outgoing officer is unable to attend the handing over because of illness or has been authorized by the accounting officer to leave his office before the handing over takes place, the accounting officer shall apply to the Financial Secretary for a board of survey to be appointed to survey the stores to be handed over.

(2) The incoming officer shall be in attendance during the survey and shall sign the handing over certificate prepared and endorsed by the board of survey.

PART XVI

LOAN, HIRE AND SALE OF STORES

Authority for loan or hire of stores

102. (1) Except for the hire of plant and equipment where an authorized procedure and standard hire charges are in operation, no stores may be issued on loan or hire without the prior authority of the Financial Secretary.

(2) Any hiring out of stores shall be supported by an agreement signed by the hirer in a form approved by the Attorney General.

Accounting for stores on loan or hire

103. (1) The officer in charge of stores shall ensure that stores issue vouchers are prepared and signed by the borrower or hirer in respect of all stores issued on loan or hire.

(2) Whenever stores which have been issued on loan or hire are returned into store, such stores shall be accounted for on a stores receipt voucher.

Authority for sale of stores

104. (1) Stores may be sold by auction, tender or in any other manner authorized by the Minister.

(2) The Financial Secretary shall have the power to authorize the sale of stores not exceeding \$10,000 in value.

Accounting for stores issued on sale

105. (1) The selling price of stores to be issued on sale shall be determined by taking the ledger price and adding a charge of not less than 33 and 1/3 percent for departmental costs.

(2) No issue on sale shall be made until the selling prices of the stores has been received in full.

(3) A store issue voucher shall be prepared for any stores issued on sale.

PART XVII

STORAGE AND SECURITY OF STORES

Storage

106. (1) Stores shall be secured against interference by unauthorized persons.

(2) No unauthorized person shall be permitted to enter a store room or building except in the presence of the storekeeper.

Precautions against deterioration or fire

107. (1) Clothing and other stores susceptible to deterioration by damp or pests or other cause shall be examined regularly and shall be stored above floor level.

(2) Fluids in tins or drums shall, whenever possible, be stored above ground level.

(3) Inflammable stores and explosives shall be stored in accordance with any legislation relating to such substances or in the absence of any legislation, any instructions issued by the manufacturers of such stores.

PART XVIII

ACCIDENTS

Appointment of Accident Investigation Board

108. The Financial Secretary shall appoint an Accident Investigation Board to inquire into the causes and costs of any accidents reported to him and to assess the extent of any blame or negligence on the part of any driver or operator responsible for or in control of the vehicle or plant involved.

Accident reports

109. Whenever an accident involving a Government vehicle or plant occurs, the driver or operator as the case may be shall immediately complete an accident report and submit such report to the accounting officer.

Assessment of damage

110. The accounting officer, on receiving an accident report, shall refer the report to the officer in charge of the mechanical workshop or garage for an assessment of the damage or damages sustained and an estimate of the cost of repair, or, in the case where the vehicle or plant is beyond repairs, the cost of replacement.

Report to be submitted to Accident Investigation Board

111. The accounting officer shall submit the accident report together with the assessment made by the officer in charge of the mechanical workshop or garage and police report, if any, to the Accident Investigation Board.

Proceedings by the Accident Investigation Board

112. (1) The Accident Investigation Board may summon any person to give any evidence or explanation concerning the accident which it may consider to be necessary.

(2) The Accident Investigation Board shall submit a report on its findings together with any recommendations as to the action to be taken against the driver or operator responsible for the accident, to the accounting officer.

Action to be taken

113. (1) The accounting officer shall submit the accident report and the Accident Investigation Board's report together with his recommendations on the extent of any surcharge against the driver or operator responsible for the accident, to the Financial Secretary.

(2) Any surcharge imposed on the driver or operator by the Financial Secretary shall be recovered in accordance with any directions given by the Financial Secretary.

Claims by Government

114. Where the Accident Investigation Board recommends that a claim be made against any person or insurance company in respect of any liability for an accident, the accounting officer shall prepare the claim and submit it to the Attorney General for his approval before it is issued.

Claims against Government

115. In the event of a claim being made against the Government for liability in respect of an accident, the claim shall be referred immediately to the Attorney General for his advice on the action to be taken.

Repairs to damaged plant or vehicle

116. As soon as possible after an assessment has been made by the officer in charge of the mechanical workshop or garage and except as may be advised by the Accident Investigation Board or Attorney General, the accounting officer shall proceed to carry out repairs to the vehicle or plant involved in the accident.

PART XIX

MISCELLANEOUS

Miscellaneous

117. The Accountant General may prescribe such forms as are required for the efficient working of these Regulations.
