

No. S 1

CONSTITUTION OF THE STATE OF BRUNEI, 1959

FINANCIAL REGULATIONS

In exercise of the powers conferred by Article 20 of the Constitution (Financial Procedure) Order, 1959, His Highness the Sultan and Yang Di-Pertuan in Council has made the following regulation :—

PART I
INTRODUCTION

1. These regulations may be cited as Financial Regulations and shall apply only to Government Public Accounts.
2. Instructions of a transitory nature or of limited application shall be issued in the form of Treasury Circulars.
3. If special accounting instructions are necessitated by local or departmental circumstances, the proposals of the Head of Department concerned shall be submitted to the State Financial Officer for approval. Full details of any changes in accounting procedure shall be furnished to the Auditor General.
4. It is the duty of all officers to be conversant with Financial Regulations and with such Treasury Circulars and special accounting instructions as are applicable to them or to their departments.
5. It is the duty of all accounting officers to draw attention to Regulations which may appear to have become obsolescent or inadequate, and to suggest amendments which, in their opinion, will further safeguard the interests of Government or result in improved efficiency.
6. Questions of interpretation or other problems arising out of these Financial Regulations shall be referred to the State Financial Officer.
7. The attention of Accounting Officers in supervisory posts is especially drawn to the need for adequate checks. The following summary of various related Regulations is provided as a guide to this end :

Regulation 12.5 State Financial Officers delegation to Treasury Officers for precautions to be taken against the occurrence of irregularity or carelessness by the maintenance of efficient checks.

Regulation 17.4 Accounting Officers (see Regulation 15) to take precautions against the occurrence of irregularity or carelessness by the maintenance of efficient checks.

Regulation 17.7 Accounting Officers to check cash and stamps with Cash Book/Petty Cash Book and to check payments in at frequent (at least once a week) but irregular intervals. Relevant further Regulations are 183, 184, 186, 190, 204, 227, 255 summarised below.

Regulation 48 Controlling Officers (see Regulation 13) to reconcile Vote Books with Treasury.

Regulation 105.4 Senior Officers to make surprise visits to wages pay-outs.

Regulation 124 Heads of Departments to reconcile advances under their control with Treasury at least once a quarter, to include December 31st.

Regulation 145 Heads of Departments to reconcile deposits under their control with Treasury at least once a quarter, to include December 31st.

Regulation 173 Heads of Departments to check arrears of revenue annually as at December 31st, by not later than March 31st.

Regulation 183 Regular Collectors to pay in their collections to Bank or to Treasury daily/earliest opportunity.

Regulation 184 Non-Regular Collectors to pay in their collections to Treasury without delay.

Regulation 186 No use to be made of collections pending payment in.

Regulation 190 The receipts for all cheques collected to be cross-referenced to such cheques, and these cheques to be cross-referenced to these receipts.

Regulation 204 Receipt forms to be registered and kept in proper custody.

Regulation 205 Books of unused receipt forms to be checked for correct contents at each hand-over.

Regulation 227 Maximum cash balances to be observed.

Regulation 236 Articles deposited for safe custody to be registered and kept in proper custody.

Regulations 250 and 251 Cheque books to be checked for correct contents and to be kept in proper custody.

Regulation 255 Cash Books to be reconciled with Bank Statements at least once a month.

Regulation 577 Heads of Departments to arrange for stores under their control and stores accounts to be checked at least quarterly.

8. — 10.

PART II

FINANCE AND ACCOUNTS

Responsibilities and Duties of Accounting Officers

Duties of State
Financial
Officer.

11. The accounting operations of the Government are under the general management, supervision, control and direction of the State Financial Officer.

12. The State Financial Officer may delegate or depute to Treasury Officers such duties as will ensure that :—

12.1 a proper system of accounting is established and appropriate precaution instituted against losses by fraud or negligence in every Department, including self-accounting Departments, of the Government ;

12.2 there is adequate supervision over the receipt and punctual collection of public revenue :

12.3 all money, whether revenue or other receipts, paid into or accounted for to the Treasury is promptly brought to account by credit to the proper Heads or Funds ;

12.4 proper provision is made for the safekeeping of all public moneys, stamps, securities and valuable documents ;

12.5 supervision is exercised over officers of the Treasury and other accounting officers entrusted with the receipt or expenditure of public money, and precautions are taken by the maintenance of efficient checks, including surprise inspections, against the occurrence of irregularity or carelessness ;

12.6 the expenditure and other disbursements of the Government are properly supervised : that no payment is made which is not covered by proper authority, expressed or referred to on the voucher relating to it ; and, in case of any apparent extravagance or of any apparent defect in the provision for a charge owing to the exhaustion or absence of a vote, that the attention of the State Financial Officer is called to the matter ;

12.7 all disbursements of the Government are promptly charged in the accounts under the proper Heads or Funds.

13. The term "Controlling Officer" means an accounting officer authorised by warrant issued under the hand of the State Financial Officer to incur public expenditure. **Controlling Officers.**

14. All Heads of Departments and Controlling Officers are personally responsible for the due performance of the financial duties of their departments, and are accounting officers in the terms of Financial Regulation 15. The extent to which duties are delegated within the department or office should be set out in written instructions. An officer does not relieve himself of this general responsibility by deputing the performance of his duties to his subordinates. **Duties of Heads of Departments.**

15. The term 'accounting officers' includes every public officer who is charged with the duty of collecting, receiving or accounting for, or who in fact collects, receives or accounts for any public money or is charged with the duty of disbursing, or who does in fact disburse any public moneys, and every public officer who is charged with the receipt, custody or disposal of, or the accounting for, public stores or who in fact receives, holds or disposes of public stores. **Accounting Officers.**

16. The term 'sub-accountant' means an accounting officer who is entrusted with the receipt, custody, and disbursement of public money and who is required to keep one of the recognised cash books, the transactions in which are accounted for to the State Financial Officer and subsequently embodied in the final accounts of the State. **Sub-Accountant.**

17. All accounting officers are personally responsible for the proper collection and custody of all public money receivable by them and for its disbursement and for the accuracy of the accounts rendered by them or under their authority. In particular in so far as the following requirements may be applicable, an accounting officer shall :— **Duties of Accounting Officers.**

17.1 keep watch on the receipt of public revenue and secure its punctual collection ;

17.2 promptly bring to account, under the proper Heads or Funds all money whether revenue or other receipts, accounted for to him ;

17.3 see that proper provision is made for the safe keeping of public money, stamps, securities, valuable documents, stamp dies, revenue receipts, licences, etc. ;

17.4 exercise strict supervision over all officers under his authority entrusted with the receipt and disbursement of public money and take precautions, by the maintenance of efficient checks, including surprise surveys, against the

- occurrence of irregularity or carelessness. A guide to the more important checks is given in Regulation 7 ;
- 17.5 take care that every payment made is covered by proper authority, expressed or referred to on the voucher relating to it (See also reg. 73).
- 17.6 ensure that no public money is made use of for any private purpose whatsoever ;
- 17.7 at frequent but irregular intervals check all cash and stamps in his charge, verify the amounts with the balances shown in the Cash Book and Imprest Cash Book, and verify by reference to the appropriate acknowledgements of receipts the promptness and authenticity of the onward payments as required by Regulation 183 (and Regulation 184). Such checks shall be made at least once a week unless absence or other circumstances beyond his control prevent it. The Cash Book and Imprest Cash Book shall be suitably annotated, initialled, and dated by the checking officer at each such check. A check should also be made of balances of cash in hand arising from Special Advances made under Regulation 161 hereof.
- 17.8 promptly bring to account as revenue any cash or stamps found in his charge in excess of the balances as shown in the Cash Book or Imprest Cash Book ;
- 17.9 promptly make good any deficiency in cash or stamps for which he is responsible ;
- 17.10 promptly bring to account under the proper Heads or Funds all disbursements of the Government made by him ;
- 17.11 promptly submit such financial statements as are required by these Regulations, or may be required from time to time by the Treasury ;
- 17.12 see that all books are correctly posted and are kept up to date ;
- 17.13 report to the State Financial Officer (or, if he is a subordinate officer, to his controlling officer) any apparent defect in the procedure of revenue collection, or any apparent waste, or extravagance in expenditure which comes to his notice in the course of his accounting duties ;
- 17.14 produce when required by the State Financial Officer and his authorised officers or by the Auditor General and his

authorised officers all books, records and vouchers in his charge ;

17.15 reply without undue delay inquiry addressed to him by the Treasury or by the Auditor General, giving fully the particulars or information required ;

17.16 acquaint himself with such Enactments and Subsidiary Legislation, Government Gazettes and Circulars as relate to his financial duties.

18. It must be clearly understood that, although an officer may delegate the work incidental to his office to a subordinate officer, he cannot delegate his responsibility.

Duties entrusted to Subordinates.

19. All warrants authorising expenditure cease absolutely on the last day of the financial year to which they relate if no earlier date is indicated. Accounting officers shall refuse to make payments or accept charges on lapsed warrants.

Lapse of Authority

20. The introduction of new accounting records, forms and documents or the modification of existing accounting records, forms and documents shall be subject to the approval of the State Financial Officer.

21. — 24.

Authority for Expenditure

25. The authority for expenditure of public funds is by Enactment or Order in accordance with the Constitution.

Original Authorities.

26. A Controlling Officer shall not incur any expenditure until he has received a Treasury Warrant signed by the State Financial Officer.

Warrant to incur Expenditure.

27. When through unforeseen circumstances it becomes necessary for a Controlling Officer to apply for authority to incur additional expenditure in excess of the provision under a particular subhead of the Estimates, or on a service not provided for in the Estimates, he shall complete an application for a Supplementary Warrant or a Virement Warrant as appropriate and submit it in quadruplicate to the State Financial Officer, who will forward it to the Mentri Besar with his recommendation.

Supplementary and Virement Warrants.

28. A Supplementary Warrant will be required for all expenditure which is in excess of the total amount authorised in the Treasury Warrant for the whole head of expenditure. A Virement Warrant will be required for all expenditure which can be met from savings within the head of expenditure by transfer from one sub-head to another.

29. Every form of application for a Supplementary or Virement Warrant shall include an explanation of the expenditure proposed and the reasons which make it necessary. In the case of a Virement Warrant an explanation of the savings on the Sub-head to be decreased shall also be given. Although references to correspondence which has taken place shall be given, the explanation shall be sufficiently complete in itself to enable the application to be considered without reference to other documents.

30. The issue of a Supplementary Warrant or a Virement Warrant will not be considered unless it can be shown why the expenditure could not have been foreseen when the Estimates were prepared and that it cannot be postponed without detriment to the Public Service.

Establishment
Warrant.

31. Except in accordance with any written law, no addition to the public offices provided under any head of estimates may be made or may the appropriation of the established salaries under any head be altered either as regards the number of appointments or the rates of personal emoluments unless the approval of the Treasury shall first have been obtained. Applications for any such additions or alterations shall be submitted to the State Financial Officer on an Establishment Warrant form.

Financial
Requisition.

32. When a Controlling Officer considers it necessary to incur expenditure on a service for which there is provision in the Estimates but in respect of which no Treasury Warrant has been authorised, he shall as soon as possible, and before incurring the expenditure, submit to the State Financial Officer a requisition in quadruplicate, stating the estimated cost of the service required, and explaining the purpose for which the requisition is submitted.

33. — 38.

Annual Estimates of Revenue & Expenditure

Financial
Year.

39. The "financial year" means a period of twelve months ending on the thirty-first day of December in any year.

Draft Revenue
Estimates.

40. Heads of Departments and Controlling Officers shall prepare, in accordance with instructions issued by Treasury Circular, Draft Annual Estimates of Revenue arising from the activities of their Departments or Offices. Any large increase or decrease or new source of revenue shall be fully explained and if any difficulties are encountered reference shall be made to the State Financial Officer.

Draft
Expenditure
Estimates.

41. Heads of Departments and Controlling Officers shall prepare, in accordance with instructions issued by Treasury Circular, Draft Annual Estimates of the Expenditure (Charged, Supply, and Development) proposed for their Departments or Offices.

42. — 44.

Control of Expenditure

45. Heads of Departments and Controlling Officers are to exercise strict economy over the votes under their control. Money shall not be spent merely because it has been voted. **Economy Required.**
46. Every Controlling Officer shall keep a Vote Book in such form as will clearly show at any time in respect of each Head for which he is responsible :— **Vote Book to be kept by Warrant Holders.**
- 46.1 in separate accounts the provision for each Sub-head shown in the Treasury Warrant together with any increases or decreases by Supplementary, Virement, or Departmental Warrant :
- 46.2 commitments which have been entered into, e.g., by indent or contract ;
- 46.3 the amount of expenditure charged or credited by payment voucher, journal voucher or receipt form.
47. Controlling Officers will be notified by the Treasury by Journal Voucher of the charges incurred by the Crown Agents or other Agents against the votes under their control in order that they may verify and record such expenditure in their Vote Books. **Certain Expenditure to be notified to Departments.**
48. Controlling Officers shall reconcile their Vote Books with the Treasury ledgers at intervals to be notified by the Treasury. A letter of confirmation shall be sent to the Treasury on completion of this reconciliation, and shall be copied to the Auditor General. **Reconciliation with Treasury.**
49. The date of receipt or payment governs the date of the record of the transaction in the accounts. Payments shall not be made before they are due for the purpose of utilising an anticipated saving on a Sub-head, nor shall the an expended portion of any Sub-head be drawn from the Treasury for the purpose of placing it in reserve in a deposit or suspense account. On the other hand, expenditure properly chargeable to the account of a given year shall as far as possible be met within the year, and shall not be deferred for the purpose of avoiding an excess on the amount provided in the Estimates. **Receipts and payments to be made and recorded on due dates.**
50. Unallocated stores shall not be drawn for use on a work before they are required in order to utilise provision in the Estimates which would otherwise lapse at the close of the financial year. The quantity of stores which may be drawn and charged to expenditure at any time shall not exceed that which may be expected to be used within a reasonable period. **Unallocated Stores to be Drawn on as Required.**
51. Credits to expenditure votes are not permissible except when made in adjustment for overpayments, or when made in adjustment of sums incorrectly charged in the accounts of the same year ; in the **Credit to Expenditure Votes.**

latter case prior approval of the State Financial Officer is required. Reference is also to be made to Regulation 194.

Expenditure to be charged to proper Sub-head.

52. Expenditure shall be classified strictly in accordance with the Estimates. Every vote shall be applied only to the purpose for which it is intended. Expenditure incorrectly charged to a vote may be disallowed by the State Financial Officer.

Departmental Warrant.

53. When a Controlling Officer finds it necessary to incur expenditure through an officer of another Department he shall authorise such expenditure by the issue of a Departmental Warrant. All Departmental Warrants shall be numbered serially and shall contain details of the work or service to be performed, the amount of expenditure to be incurred, and quote the relevant State Financial Officer's Warrant under which the Controlling Officer is operating.

Monthly Return of Expenditure.

54. Holders of Departmental Warrants shall submit monthly to the officer issuing the warrant a statement of expenditure incurred.

Control of Non-recurring Expenditure.

55. Controlling Officers responsible for "Other Charges Special Expenditure" shall periodically review each item of such expenditure in order to ascertain whether the sums voted are sufficient to enable the individual works or services to be completed. In those cases where the provision is expected to be insufficient an immediate application for additional provision shall be made to the State Financial Officer.

Control of Recurrent Expenditure.

56. In the case of "Other Charges Annually Recurrent," Heads of Departments shall arrange that expenditure incurred during each half year does not exceed one half of the amount of the vote for the year, unless there are special reasons for exceeding the half-yearly proportion (for example, seasonal expenditure). Whenever practicable a portion of the vote shall be reserved at the beginning of each year to meet unforeseen contingencies. Controlling officers to whom Treasury, Supplementary, Virement or Departmental Warrants are issued shall similarly regulate their expenditure so as to avoid the premature exhaustion of the amount of the Warrant. Controlling officers prematurely exhausting votes without good reasons may be liable to disciplinary action.

57. — 60.

Payments — General

Payments to be vouched for.

61. All payments entries in the accounts shall be vouched for on forms provided by the Treasury.

Payment Vouchers procedure.

62. Payment vouchers shall be made out in ink or indelible pencil or shall be typewritten. The classification shall be quoted in full as described in the approved Estimates ; it is insufficient to quote only the number of the Head and sub-head concerned.

63. All vouchers shall be signed in full, in ink or indelible pencil, by the Controlling officer or by an officer authorised by him to sign on his behalf or by the holder of a Departmental Warrant. Stamped facsimile signatures will not be accepted on original vouchers. Copies shall be initialled by the signing officer and stamped with his name stamp.

Signing of
Payment
Vouchers.

64. Separate vouchers shall normally be used for separate sub-heads and for the payment of different services, especially in cases where each has been separately authorised. Vouchers shall not be made out in favour of more than one payee except where more than one are parties to the same contract or transaction.

Separate
Vouchers.

65. Each payee's name shall be shown in full. No voucher shall be made out as payable "to the undersigned" or to any persons other than those to whom payment is due. Payment will be made only to the persons named in the vouchers except as provided for in Regulations 80 and 108.

66. All vouchers shall contain full particulars of each service, such as dates, numbers, quantities, distances and rates, so as to enable them to be checked with as little reference to other documents as possible.

Particulars to
be inserted in
Vouchers.

67. The following particulars as may be applicable shall be given on vouchers :—

67.1 reference to the Tender Board's authority and to the Contract Agreement, or the Departmental correspondence on quotations as appropriate.

67.2 reference to the numbers and dates of deposit receipts in case of repayments ;

67.3 reference to special authorities (for example for advances or any unusual payments) ;

67.4 the reference to the appropriate Treasury or Departmental Warrant.

68. In cases where a payment is covered by special authority a certified copy of the authority shall be attached to the voucher. It is insufficient to quote a reference to the authority. When a succession of payments is made under special authority it will, however, be sufficient to attach a certified copy of the authority to the first voucher of the series and to quote that Treasury payment voucher number on each subsequent relative voucher.

Special
Authority for
Payment.

69. Vouchers shall be fully supported by Government Indents, Original Invoices, Progress Certificates, Claims Certificates etc. Such

Supporting
Documents.

supporting documents shall be attached to the appropriate vouchers. Statements of account will not be accepted. When a voucher is supported by a Government Indent the office copy of the order shall be endorsed with the number of the relevant payment Voucher.

70. Vouchers in respect of contract payments shall refer to the full title and official reference number of the Contract, and shall be supported by an appropriate certificate according to the type of work or service performed.

For example, progress payments on a work contract will be supported by a Certificate issued by an authorised officer or consultant ; progress payments for services shall be supported by the Contractor's Invoice and the voucher shall be endorsed to the effect that the rates charged are in accordance with the terms of the contract.

71. Should an original invoice or certificate be mislaid a duplicate shall be obtained and submitted with a certificate to the effect that the original cannot be traced and that payment thereof has not previously been made.

Sub-vouchers.

72. In cases where public officers present claims for small payments made by them, sub-vouchers in the form of actual receipts shall be produced whenever practicable. When sub-vouchers cannot be obtained the officer shall certify in the space provided on the voucher that the charges have been incurred solely upon the public service and are fair and reasonable and have actually been paid by him.

Responsibility
in certifying
Voucher.

73. The officer who signs the voucher thereby certifies to the accuracy of every detail therein. He will therefore be held responsible that the services specified have been duly performed ; that the prices charged are either according to contracts or approved scales, or are fair and reasonable according to current local rates ; that authority has been obtained as quoted ; that the computations and castings have been verified and are arithmetically correct ; that the persons named in the vouchers are those entitled to receive payment ; that stores purchased have been duly taken on charge or are accounted for as appropriate ; that all deductions due to be made have been effected ; and that the voucher is properly classified in accordance with Regulation 62.

Surcharge for
unauthorised
payment.

74. In the event of any unauthorised payment being made in consequence of an incorrect certificate on a voucher, the officer who signed the certificate will be held responsible, and the amount may be surcharged against him.

Certificates
relating
to Stores.

75. The following certificate shall be completed on each invoice relating to the purchase of any stores classified in accordance with Regulations 504.1, 504.2 and 504.3 :

"I hereby certify that the above stores have been received and —

- (a) taken on ledger charge (Folio) ;
 - (b) taken on inventory charge (Folio) ;
 - (c) being consumable have been put into immediate use.
-

76. The Certificates issued in accordance with Regulation 75 must clearly indicate the classification and acceptance of stores where multiple purchases are shown on any invoice.

Signing certificates.

77. All payments shall be made as soon as possible after accounts are rendered or services are performed. Discount allowed on any account shall be deducted and the Voucher made out for the net amount. Officers may be called upon to refund any loss occasioned through the late payment of an account.

Prompt payment necessary.

78. Acknowledgements of payments made in cash shall be obtained at the time of payment : except that in the case of payments of wages and allowances to a number of persons such as Daily Rated Workers, the procedure shall be in accordance with Regulation 105.2. In the case of payments to persons who are illiterate the payee shall make his mark and the payment shall be witnessed by a person other than the person who authorized the voucher. The witness shall sign an appropriate certificate.

Acknowledgement of payments made in each.

79. In the case of continuous payments to a Bank or a third party, the authority shall be filed for reference. Where it is impossible to retain the original authority, e.g. in the case of Powers of Attorney, Letters of Administration, etc. such authority shall be forwarded with the voucher to the Treasury or Sub-Treasury for inspection together with a copy for record.

Authorities for continuous payments.

80. When payment is made to a person other than the one named in the voucher, the original authority under which it is made shall be attached to the voucher.

Payment to Third Parties.

81. All cash vouchers, cheques and receipt forms on the reverse of cheques shall be stamped with the appropriate stamp duty unless exempted from stamp duty by law. A document shall not be deemed to have been properly stamped unless the stamps affixed thereto have been cancelled in such manner as will reasonably ensure the impossibility of their re-use on other documents.

Stamp Duty.

82. An acknowledgement given by an officer for money paid to him by way of salary, wages, allowances, payments in reimbursement of

expenses actually incurred, or by way of imprest or in adjustment of an account where he derives no personal benefit therefrom, is not chargeable with stamp duty.

83. All payments of \$150 or more shall normally be made by crossed cheques signed by two officers appointed by the State Financial Officer.

84. In those cases where an "open" cheque in excess of \$150 is required for payment to an individual the Identity Card number must be stated against the payee's name on the payment voucher. Care should be taken to ensure that the name of the payee agrees with that shown on the Identity Card.

85. Under no circumstances will a crossed cheque be "opened" for a limited company. In the case of other business firms a written request to "open" a crossed cheque must be produced and must be signed by all the partners.

86. Except where specific authority has been given to Agents or Representatives all payments outside Brunei shall be made by the Treasury. Request for payment should be properly vouched and supported by invoices, authorities, etc. See also Regulation 349.

Recoveries on
payment
voucher.

87. Any sums recoverable from payments due shall be recorded on the payment vouchers.

Examination
by Treasury
Accountants.

88. Treasury Accountants or Sub-Accountants shall satisfy themselves that vouchers are in order in all respects. Before payment all vouchers shall be stamped with the words "PASSED FOR PAYMENT" and countersigned.

"PAID"
Stamp.

89. All vouchers and supporting documents when paid shall be stamped with the word "PAID" in order to avoid double payment.

Vouchers to
be recorded
in Cash Book.

90. Payment vouchers shall be entered in the Cash Book immediately on payment and numbered consecutively from No. 1 upwards monthly, in the order in which they occur.

Interdepart-
mental
payments.

91. Payment Vouchers shall not be made out for inter-departmental payments. Any necessary transfer from one departmental head to another shall be effected by Journal Voucher in accordance with Regulations 217 - 225.

Payments on
behalf of
other
Governments.

92. Payments made on behalf of other Governments or Administrations shall be supported in the accounts by a copy of the relevant voucher which is to be reimbursed.

93. - 100.

Payment of Personal Emoluments and Pensions

101. Personal Emoluments are due at the end of each month but may be paid before the end of the month as directed by the State Financial Officer. Salaries and wages may be paid in advance on special occasions as notified by Treasury Circular. **Date of payment.**
102. Salary sheets, except for payment through the Treasury Central Mechanised Salaries Section, shall be prepared in duplicate by departments and shall be submitted to the Treasury at least seven working days before the due date of payment. Wages sheets shall be prepared in duplicate by departments and shall be submitted to the Treasury not later than five working days after the end of the period for which payment is due. After examination the Treasury will return the original on the date of payment together with a cheque for the total amount required. **Vouchers.**
103. Personal Emoluments paid through the Treasury Central Mechanised Section do not necessitate the submission by Departments of vouchers. Any changes in pay, allowances, deductions, bank of payment, etc shall be included in a monthly Variation Statement giving a brief explanation of the change, to which supporting documents shall be attached. For record purposes all payments of arrears of salary and allowances which are made other than through the Central Mechanised System are to be reported in the Variation Statement for the month when they are made or as soon as possible thereafter. The dates of submission of the monthly Variation Statements will be as arranged between the department and the Treasury Central Mechanised Salaries Section. This does not relieve a Controlling Officer of his responsibility for the payment of salaries under Regulations 14 and 17 and he is required to sign the vouchers as appropriate. **Mechanised System.**
104. If he so wishes an officer may on written request to the State Financial Officer, through the Head of his Department, have his salary or wages credited monthly direct to his account with any local branch of a bank. The Head of Department must maintain records showing the method of payment of salaries and wages, i.e., by cash or into a bank account in respect of each individual and in cases where separate payment vouchers are submitted for cash payments and payments into bank accounts adequate records must be maintained to ensure that requests for payments from cash to bank accounts and subsequent changes of bank accounts are properly recorded to avoid double payments. **Payment into Bank Accounts.**
105. The Head of Department is responsible for making arrangements for the payment in cash of salaries and wages in his Department and is to ensure, as far as possible, that all payments are made on the due date. These arrangements shall be such that :— **Payment in Cash.**

105.1 officers responsible for the preparation of paysheets should not participate in the actual pay-out of cash.

105.2 in addition to a Paying Officer there shall be in attendance at each payout a Witness, who shall be an officer of not less than Supervisory grade, who shall identify the entitled persons. The Paying Officer and Witness must both sign each individual paysheet as Witnesses that the payments were made in their presence.

105.3 in cases where it has not been possible to make payment because of the absence of the payee the discharge space on the paysheet should be endorsed "UNDRAWN" and the unpaid salaries or wages should be returned to the departmental officer responsible for cash. Both the Paying Officer and the Witness jointly should obtain from him a receipt by way of endorsement on the paysheet showing details of the name(s) of payee(s) and amount(s). The departmental officer responsible for Cash shall return the paysheets to the Treasury within 7 days together with any unpaid salaries or wages and obtain a Treasury Receipt in acknowledgement which shall be affixed to the original paysheet.

105.4 An occasional surprise visit should be made by an independent (preferably senior) officer at pay-out. He should authenticate the paysheets by adding his signature.

Vouchers not to be altered.

106. No alteration or amendment shall be made to a salaries or wages voucher after it has been passed for payment by the Treasury. In cases where the payment to an individual as shown on the voucher is incorrect the whole amount in respect of that individual shall be refunded to the Treasury in accordance with the arrangements set out in Regulations 105.3 and a fresh voucher prepared.

Broken period.

107. Salary for a broken period of a month is calculated according to the number of days in the particular month ; for example, salary for four days in the month of March will be $\frac{4}{31}$ st's of the monthly rate, and four days in June will be $\frac{4}{30}$ th's of the monthly rate.

Payments to Third Parties.

108. Payment of salary and allowances to a person on behalf of an officer, other than to a bank as in Regulation 104, requires the signed authority of the officer concerned. The authority shall be attached to the payment voucher.

Last Pay Certificate.

109. When an officer is transferred from one department to another, the Head of the transferring Department shall prepare a Last Pay Certificate in quintuplicate. The Last Pay Certificate shall contain details of the rate of salary at the date of transfer ; of any allowances

payable ; of any regular deductions due from the officer e.g. car loan, housing loan, etc. and the date up to which payment was last made by the transferring Department. The original and duplicate shall be sent to the Head of the receiving Department, the triplicate to the Treasury, the quadruplicate to the Auditor General and the quintuplicate retained in the transferring Department's file. The Head of the receiving Department shall attach the duplicate copy to the Pay Sheet on which the officer is first paid in his new Department.

110. When an officer is about to proceed on leave or on duty outside the State and it is necessary for arrangements to be made for the payment of his salary outside the State, the procedure laid down in Regulation 109 shall be followed, except that three copies of the Last Pay Certificate shall be prepared ; the original to be sent to the Treasury, which will assume responsibility for payment and the duplicate to the Auditor General.

111. A Life Certificate shall be required in the case of emoluments payable to a bank or agent within the State on behalf of an officer who is absent from the State.

Life
Certificate.

112. All pensions shall be paid under arrangements made by the Treasury and shall not be paid before the last day of the month for which they are due.

Pensions not
to be paid
till due.

113. — 116.

Advances

117. Officers and overseas agents are prohibited from advancing any public money held in their custody without proper authority.

Advances of
public money.

118. The terms and conditions for the granting of advances for specific purposes, e.g., Conveyance Advances, Housing Loan Scheme, shall be set out from time to time in Government Circulars.

Specific
advances.

119. An officer who desires an advance when proceeding overseas on a course or on leave shall make application to the Head of his Department. In such circumstances Heads of Departments are authorised to grant advances at their own discretion not exceeding one month's pay. No other advances shall be given without the specific prior authority of the State Financial Officer.

Advances of
salary on
proceeding
Overseas.

120. The State Financial Officer is authorised to advance a sum not exceeding one month's salary to an officer arriving on first appointment from outside Brunei. The advance is made pending the receipt of a Last Pay Certificate or definite information as to the terms of the appointment.

Advances on
arrival — new
appointments.

121. Recovery of advances of salary will be effected in one instalment unless otherwise directed by the State Financial Officer.

Recovery of
advances of
salary.

- Advances to be shown on last Pay Certificate. 122. Last Pay Certificates shall show any outstanding balance of an advance issued in accordance with Regulation 109.
- Responsibility for recovery of advances. 123. Heads of Departments are responsible for seeing that advances are promptly recovered in accordance with the terms under which they are made.
- Lists and reconciliation of all outstanding advances to be forwarded to State Financial Officer. 124. Heads of Departments are responsible for ensuring that the total advances under their control are agreed with the corresponding Treasury account not less than once quarterly and at 31st. December each year. A detailed list of all advances outstanding at the end of each financial year shall be forwarded to the State Financial Officer and the Auditor General by not later than 28th. February of the following year.
125. — 140.

Deposits

- Limitation of Deposit Accounts. 141. Any moneys which a Head of Department is required to receive and account for by virtue of his office and which are not attributable to either an Expenditure Vote, Revenue Vote or Trust Fund shall be placed on Deposit.
- Deposit Accounts. 142. The Head of Department is responsible for the correct keeping of deposit accounts under his charge. Deposit accounts shall be opened according to the type of deposits received. In the event of numerous deposits of the same type being received, subsidiary records shall be maintained.
- Deposit Receipts. 143. Deposits shall promptly be brought to account on a Treasury receipt form which shall state the name of the depositor and the nature of the deposit. The depositor shall be advised to safeguard the receipt form as he may be required to produce it when the deposit is withdrawn.
- Responsibility of Heads of Departments over withdrawals. 144. When a person wishes to withdraw a deposit or part of a deposit the Head of Department must satisfy himself that such person is entitled to receive the money ; he must also refer to the Deposits Ledger and satisfy himself that the amount is actually on deposit. Vouchers for the repayment of deposits shall quote the number and date of the receipt form on which the deposit was received and the original receipt form shall be attached if available and the number and date of payment voucher shall be quoted in the Deposit Ledger. If the original receipt form is not available a letter of indemnity shall be obtained.
- Lists of all outstanding Deposits and reconciliations of Deposits to be forwarded 145. The Head of Department is responsible for ensuring that the total deposits under his control are agreed with the corresponding Treasury account not less than once quarterly and at 31st. December each year. A detailed list of all deposits outstanding at the end of each

financial year shall be forwarded to the State Financial Officer and to the Auditor General by not later than 28th. February of the following year.

to State
Financial
Officer.

146. A list of deposits which remain unclaimed on the expiry of a period of five years after the due date of repayment shall be posted in a prominent place at the office where deposits were made, and shall also be published in three successive issues of the Brunei Government Gazette. One month after the publication of the third notice such deposits shall be transferred by Journal Voucher to the credit of Miscellaneous Revenue.

147. If a Head of Department receives a request for the repayment of a deposit which has been transferred to revenue in accordance with Regulation 146 he will satisfy himself in terms of Regulation 144 and forward the application to the State Financial Officer together with his findings and recommendations. The State Financial Officer, is satisfied that the claimant is so entitled, shall authorise payment.

Claims to
Deposits taken
to Revenue.

148. — 160.

Imprests & Special Advances

161. If it is necessary for any officer to have at his disposal, for disbursement on the public service, money for which vouchers cannot be presented direct to the Treasury for payment, he will receive an Imprest or Special Advance of such amount as the State Financial Officer may authorise.

Authority for
Imprests or
Special
Advances.

162. Imprests and Special Advances shall be used only for the specific purposes for which they are issued and shall be accounted for without delay. The receipt of imprests, reimbursements thereof and expenditure therefrom shall be recorded in an Imprest Cash Book.

Imprests &
Special
Advances only
to be used for
specific
purpose.

163. When an Imprest has to be replenished the Imprest Holder shall submit properly completed payment vouchers to the Treasury who shall enter the various vouchers as expenditure and pay the amount of the vouchers to the Imprest Holder. It follows that the Imprest Holder should always have cash or unrepresented vouchers or both, equal to the amount of his Imprest.

Replenishment
of Imprest.

164. Imprests shall be accounted for as directed but in any event on or before the 31st. December each year, any unexpended balance being paid into the Treasury.

Date of
Accounting for
Imprests.

165. In the event of any Imprest or Special Advance not being settled within the period specified, the Imprest Holder shall send to the Treasury as soon as possible, together with an explanation in writing as to the delay in settlement, all vouchers in connection with the Imprest to be embodied in the accounts by means of a Journal Voucher.

Imprests &
Special
Advance not
settled
within the
year.

The balance in cash, if any, shall be brought to account by the Treasury in the Cash Book on the day it is received.

166. — 170.

Collection of Revenue

Responsibility of Heads of Departments. 171. Heads of Departments are personally responsible for the prompt collection of all revenue relating to their Departments.

Difficulty in Collecting Money due to Government to be Reported. 172. An Accounting Officer who experiences difficulty in collecting money due to Government, whether from Public Officers or others, shall report the circumstances in writing and without delay to the State Financial Officer.

Arrears of Revenue Returns. 173. All Heads of Departments responsible for the collection of revenue shall render by the 31st March on forms provided by the Treasury, a return of all arrears of revenue as at the 31st December, classified according to financial years. Nil returns are required. These returns shall be rendered both to the State Financial Officer and the Auditor-General.

Irrecoverable Revenue. 174. If at any time Revenue is outstanding for a longer period than 18 months and the officer responsible for the collection is satisfied that recovery is not to be expected, he shall submit an application to waive recovery of the uncollected revenue to the State Financial Officer. Applications to waive recovery of revenue shall contain full reasons for the proposal and shall indicate in detail the action taken to effect recovery. The authority of the Sultan-in-Council is required for waiving irrecoverable revenue.

175. The responsible officer may be held liable if revenue has become irrecoverable through delay in enforcing recovery.

Liability of an Officer in event of Loss. 176. If at any time the public revenue sustains a loss by reason of the neglect or fault of any officer, he may be liable to surcharge.

Outstanding items of Revenue. 177. Outstanding items of revenue shall not be accounted to a revenue sub-head as a charge against an advance or suspense account pending the collection of the amount. On the other hand revenue collected in any one year shall not be placed on deposit or held in suspense with the object of transferring it to revenue in the following year.

178. — 180.

Receipt of Cash, Cheques etc.

Receipts to be vouched. 181. All receipt-entries in the accounts shall be vouched for on the form prescribed by law or otherwise authorised.

182. A separate receipt form shall be issued to each individual from whom money is received, except in the case of the sale of postage stamps. The standard Treasury Revenue Receipt form will be used for this purpose unless the appropriate receipt form is prescribed by law or has been specifically authorised by Treasury. All entries on receipt forms shall be written or printed indelibly. See also Regulation 201.
183. All regular collectors of revenue, other than the Treasury, who receive in their public capacity any duties, taxes, licences, fees, rents or other public money, shall pay the whole amount of such money, daily or at the earliest possible opportunity, either into the bank to the credit of the Brunei Government, or into the Treasury, obtaining an official receipt for the money so paid in.
184. Whenever an Accounting Officer not being a regular collector of revenue comes into receipt of public money, he shall pay it to the Treasury without delay, obtaining an official receipt for the amount paid in.
185. If for any reason payment of an amount due to Government is tendered to an officer who is not a collector of revenue, the officer concerned shall direct the payer to make the payment to the appropriate collector of revenue.
186. Between the time of receipt and the time of payment into the Bank or Treasury, no use of the money shall be made in any way whatsoever.
187. In cases where revenue is collected by adhesive stamps, the stamps shall be cancelled by the proper officer in such manner as will reasonably ensure the impossibility of their re-use on other documents. The cancellation shall be effected by an officer other than the officer employed to sell the stamps.
188. Sums of any amount may be accepted provided that they consist of currency which is legal or customary tender in Brunei. No other currency shall be accepted from the public except with Treasury approval. Accounting officers may be liable to replace illegal or counterfeit currency accepted by them.
189. Cheques drawn on Banks in Brunei may be accepted free of commission provided that they are made payable to the Brunei Government.
190. The receiving officer shall see that cheques are complete in that the dates are valid, that the amounts are correct and agree with the amounts in words and that the cheques are signed. If not already crossed they shall immediately be crossed by the receiving officer. The numbers of the receipt forms shall be entered on the back of the cheques and the cheque numbers will be entered on the receipt forms.

Separate
Receipt forms
to be issued.

Revenue
Collectors to
pay in at
earliest
opportunity.

Receipts by
Officers not
being regular
revenue
collectors.

Payments
tendered to an
Officer who is
not a collector
of revenue.

Use of
revenue
money
restricted.

Use of
Stamps.

Currency
which may
be accepted.

Commission
on cheques.

Receipt of
cheques.

Cheques should be made payable to "Brunei Government" and any cheques which are received and not so drawn must be endorsed by the payee as payable to "Brunei Government".

Restriction of acceptances of Bills of Exchange, etc.

191. Bills of Exchange, post-dated cheques and promissory notes shall not be accepted without the prior special authority of the Treasury.

Notifying Public.

192. Collectors of Revenue should ensure that members of the public are fully notified that they should demand official receipts for all moneys paid in. Notices to this effect in appropriate languages should be exhibited where they can be easily seen by the public.

Procedure for paying in Revenue.

193. Whenever collections are paid into the Treasury, or as soon as possible after they have been paid into a Bank, a Collector's Statement together with the relevant original sheet of the Cash Book and the relevant duplicate receipts shall be presented to the Treasury or Sub-Treasury in support of the cash or the bank paying-in-slips as the case may be. The Collector's Statement shall summarise the collection into the relevant Heads and Sub-heads.

Allocation of Overpayments Recovered.

194. "Recoveries of overpayments of voted expenditure" shall be accounted as follows :—

194.1 recoveries of expenditure incurred within the same year shall be credited to the expenditure sub-head concerned (see also Regulation 51) ; and

194.2 recoveries of expenditure incurred in a previous year shall be credited to Miscellaneous Revenue, except that in the case of recoveries of expenditure from the Development Fund they shall be credited to the relevant sub-heads irrespective of the year in which the over-payments were made.

195. — 200.

Receipt Forms

201. All receipt forms, licences, permits, certificates, tickets and other documents which acknowledge collection shall be issued from books or rolls printed with consecutive numbers or by receipting machines authorised by the Treasury. All entries should be written or printed indelibly.

202. The printing and supply of all receipt forms shall be under the control of the State Financial Officer. The Printer shall be instructed to deliver printed forms to the Treasury only. Indents by Departments for supplies of such forms will be made to the Treasury.

203. The State Financial Officer shall instruct the Printer to independently notify the Auditor-General of all Receipt Forms printed. The Printer shall also be instructed to deliver all supplies of receipt forms direct to the Treasury.

204. All recipients of receipt forms shall record them in a register of a type approved by the State Financial Officer. Forms shall be kept under lock and key. Wherever possible some officer other than the cashier shall be responsible for the custody of any stock of unused forms.

205. Receipt forms shall be carefully checked by the Department when received from the Treasury and again by each officer receiving them. Such officer shall complete on the inside front cover of each book of receipt forms a certificate in the following form : "Examined by me this day and found to contain forms in "duplicate" "triplicate" etc., as the case may be, consecutively numbered." Any error in the numbering or the quantity supplied or in the printing shall be reported immediately to the State Financial Officer. If any errors are found after the book has been brought into use the receiving officer will be held responsible.

206. Receipt forms shall not be transferred from one Department to another without the consent of the State Financial Officer.

207. When it is found necessary to cancel a receipt form, all forms with the same serial number shall be endorsed "cancelled" and signed by a responsible officer. The original and the duplicate receipts shall be forwarded with the relevant cash account to the Treasury or Sub-Treasury.

Cancellation
of receipt
forms.

208. When a receipt form is spoilt it shall be cancelled and dealt with as in Regulation 207. On no account may a receipt form be issued which bears any alteration or erasures.

Spoilt forms.

209. If a copy of an issued receipt form is applied for, a certified true copy may be furnished. A new receipt form shall not be issued unless provision exists for such issue in a relevant enactment.

Copies of
receipt forms.

210. Completely unused books of receipt forms which are in excess of requirements or are obsolete shall be listed and returned under seal to the State Financial Officer. Returned books suitable for reissue will be taken on charge by the State Financial Officer. Obsolete forms will be destroyed in the presence of two Treasury Officers who will furnish a certificate of destruction to the State Financial Officer and the Auditor General.

Unused and
obsolete
forms.

211. All used books of receipt forms and all partly used books of obsolete receipt forms shall be retained under lock and key for inspection by the Auditor General. Heads of Departments will be notified by

Custody of
used receipt
forms.

the State Financial Officer when such books may be destroyed in accordance with Regulation 240.

Loss of or
damage to
receipt forms.

212. Heads of Departments shall notify the State Financial Officer of the loss of or damage to unused receipt forms on their charge, and these will be written off only under his authority.

213. — 216.

Journal Vouchers

Use of Journal
Vouchers.

217. Any transaction in the accounts which does not involve the receipt or payment of cash shall be accounted for by means of a Journal Voucher.

Preparation of
Journal
Vouchers.

218. Journal Vouchers shall be numbered consecutively from No 1 upwards monthly by the Treasury.

219. There shall be entered in the places provided on the Journal Voucher the Heads and Sub-heads together with the amounts to be debited and credited. A brief explanation of the transaction shall also be given on the lower half of the form.

220. Journal Vouchers shall be signed only by Officers authorised to sign Payment Vouchers.

221. Journal Vouchers shall be prepared by departments as soon as possible after the relevant transactions have arisen and shall be forwarded to the Treasury for examination, numbering and posting in the accounts. Journal Vouchers in respect of any financial year must be submitted to the Treasury not later than the end of March in the following year.

Journal
Vouchers to
be entered
in Vote Book.

222. Appropriate entries shall be made in all Vote Books in accordance with Regulation 46.

223. — 225.

Custody of Public Money and Documents

Safe custody
of Cash, etc.

226. Heads of Departments are responsible for seeing that proper provision in the form of strong-rooms, safes or cash boxes as appropriate is made for the safe keeping of public money, stamps, securities, valuable documents, stamp dies, receipt forms, licences, etc. The keys of strong-rooms, safes and cash boxes shall be carefully safeguarded by the officers responsible for their custody. Officers guilty of negligence in connection with the custody of keys may be liable to surcharge in respect of any losses arising as a result thereof.

227. Cash balances shall be kept to the minimum necessary to make payments, and in any event the total amount of notes and coins kept

in a safe overnight shall not exceed \$1,000.00 without the approval of the Treasury.

228. The safe custody of cash in transit between Government offices and Banks or Treasury or between an office and paying out or collecting point is the responsibility of the Head of the Department concerned. If he considers that a police escort is desirable he should consult the Officer-in-charge of the Police District. In any event no sum in excess of \$1,000.00 shall be carried by one person alone, and no sum in excess of \$20,000.00 shall be carried without a police escort.

Cash in transit.

229. Strong-room doors, safes and cash boxes shall be provided by the Treasury, to which all applications shall be sent, and they shall not be transferred from one department to another without the sanction of the Treasury.

Strong-room doors, safes and cash boxes.

230. Accounting Officers are responsible for maintaining their strong-rooms, safes and cash boxes in proper order. Safes shall be built into the structure of the building or where this is impracticable they shall be securely attached to the structure of the building. Cash boxes, if not required to be moved, should also be firmly secured.

Safes and cash boxes to be secured.

231. Loss of or damage to a strong-room, safe or cash box shall immediately be reported to the State Financial Officer and the Auditor General.

Loss of or damage to strong-rooms, safes or cash boxes.

232. Duplicate keys of all strong-rooms, safes and cash boxes shall be lodged with the Treasury. Such duplicate keys shall be cleaned and oiled and enclosed in a well-secured and sealed packet, on the outside of which shall be written a description of the contents. This description, signed by the Head of the Department, shall include the name of the Department, the place where the safe is installed, the make and serial, or model, number of the safe. A Treasury receipt form will be issued in acknowledgement.

Duplicate keys.

233. The loss of a key of any strong-room, safe or cash box shall be reported immediately to the State Financial Officer and the Auditor General, and the Head of Department shall immediately withdraw the duplicate key, check the contents of the strong-room, safe or cash box and arrange for their safe custody pending the fitting of a new lock. A full explanation of the loss shall follow and if it is found to be the result of negligence the officer in charge of the strong-room, safe or cash box may be held personally responsible for any resulting theft of public money as well as for the cost of restoring the security of the strong-room, safe or cash box.

Loss of keys.

234. An Officer assuming charge of a strong-room, safe or cash box shall satisfy himself that the duplicate key, if any, has been deposited in the manner provided in Regulation 232 and shall initial the record mentioned in Regulation 235.

- Record of strong-rooms safes and cash boxes. 235. The Head of Department is responsible for maintaining a record of all strong-rooms, safes and cash boxes held on his charge. The record shall show the official number assigned to each strong-room, safe or cash box, particulars regarding the custody of the duplicate keys, and transfers between key holders.
- Register of articles in strong-room, etc. 236. A register shall be kept of all articles deposited for safe custody and a form of receipt shall be issued for every article so deposited. This receipt form is to be presented on subsequent withdrawal and an acknowledgement must be obtained from the withdrawer.
- Only Government money to be kept in strong-room safe or cash box. 237. No officer shall keep or allow to be kept in any Government strong-room, safe or cash box under his charge any money except public money, or such money or articles as by virtue of his office he is bound to receive. Any money found surplus to official records in a Government strong-room, safe or cash box may be ordered to be paid into Revenue by the State Financial Officer or the Auditor General.
- Registered letters. 238. All remittances, articles or documents of value sent through the post shall be sent by registered post.
239. A register of cash remittances received through the mail shall be maintained in which shall be entered the details of the remittances, the payer and the serial number of the relevant receipt forms issued.
- Preservation of Records. 240. All classes of account books and Treasury records both in use and completed shall be carefully preserved and secured. Approval for their destruction or other disposal may be sought from the State Financial Officer, with the concurrence of the Auditor General and the Director of Museums after the minimum periods prescribed hereunder :—
- 240.1 Establishment and Salary Records — the lifetime of any officer in receipt of a pension or retiring allowance and of any related beneficiaries.
- 240.2 Principal Treasury Ledgers — 20 years.
- 240.3 Treasury Cash Books, Subsidiary Ledgers, Abstracts, Revenue Ledgers and Registers, Payment and Journal Vouchers — 7 years.
- 240.4 Revenue Forms, Departmental Cash Books and Collectors Statements — 2 years.
241. — 245.
- Bank Accounts and Cheques**
- Opening of Bank accounts. 246. Government Bank Accounts shall not be opened within Brunei without the Mentri Besar's approval. Approval of the Sultan-in-

Council is required to open an account outside Brunei. All applications to open an account should be submitted to the State Financial Officer.

247. Cheques drawn on Government Bank accounts shall be signed by two designated Officers and the amounts so drawn shall be within such limits as may be laid down by the State Financial Officer. The names of the individual officers authorised from time to time to operate the various Government Bank accounts shall be notified to the Bank by the State Financial Officer. **Signing of Cheques.**
248. The use of a Government Bank account for any but official transactions is prohibited. **Use of Bank accounts.**
249. Accounting Officers are prohibited from overdrawing Government Bank Accounts. **Overdrafts prohibited.**
250. Government cheque books should be examined immediately upon receipt from the bank to see that no cheque forms are missing. This checking shall be done by the officer responsible for drawing cheques on the bank account, who shall testify by his initials on the cover of the cheque book that the examination has been made. **Examination of cheque books.**
251. Such cheque books as are not issued for use should be kept in a safe of which the responsible officer holds the key. Issued cheque books should be locked up when not actually in use in some secure place but must in any case be kept in the safe at the close of business each day. **Custody of Cheque books.**
252. When a cheque is spoiled it shall be cancelled and affixed to the counterfoil and retained in the cheque book. Where there is no counterfoil the cancelled cheques shall be filed with the Bank Reconciliation Statement. **Spoiled cheques.**
253. Any cheque which has not been presented at the end of six months from the date of issue shall be treated as stale and a fresh cheque may be issued. Due enquiry shall first be made to ascertain the reasonableness of the situation. **Stale cheques.**
254. If the payee of a Government cheque notifies the officer who issued it that the cheque has been lost or mislaid before payment, the officer who issued the cheque should instruct the bank on which it is drawn to stop payment. After "Stop action" has been confirmed by the bank, the officer should see that the cheque has not been debited to the bank account in the period up to and including the date of such confirmation. A fresh cheque may then be issued. **Loss of issued cheques.**
255. The balance of the Bank account as shown in the Bank Statement shall be reconciled with the balance as shown in the Cash book at least once a month. A Bank Certificate shall be obtained in support of this Reconciliation. **Reconciliation of Bank account.**

Purchase of drafts, etc. 256. Drafts, telegraphic transfers, letters of credit, etc. may only be issued through the Treasury.

257. — 260.

Handing Over Statements

Statement to be rendered on each Handing Over. 261. A Handing Over Statement shall be prepared on each occasion on which cash, stamps, receipt forms, valuable documents, strong-rooms, safes, cash boxes, etc. are handed over from one officer to another. When it takes place between Heads of Departments, copies of the Statement shall be sent to the State Financial Officer and the Auditor General.

Checking on Handing Over. 262. Cash, Stamps and Securities handed over shall be checked and recorded as prescribed in Regulations 271 — 285 for Boards of Survey.

Receipt forms. 263. Receipt forms which have not been subject to audit and are handed over shall be checked and recorded on the Handing Over Statement.

Keys to be included in Form. 264. The handing over of all keys and receipt forms for duplicate keys shall be recorded in the Statement.

Books to be balanced. 265. The Cash and Imprest Cash Books, Stamps Register, Register of Receipt Forms, Register of Articles in safe custody shall be balanced and both officers shall sign these books so handed over. The balance of any Special Advances made under Regulation 161 shall also be handed over and acknowledged.

Discrepancies to be reported. 266. Any discrepancy between the actual and book balances shall forthwith be reported to the State Financial Officer, with a copy to the Auditor General.

267. — 270.

Periodical and Surprise Boards of Survey on Cash and Stamps.

Annual Boards of Survey. 271. Annual Boards of Survey, to be held after the close of business on the last business day of each year, but before the commencement of business on the first day of the New Year, shall be appointed by the Mentri Besar to examine the cash, bank balances, stamps and items held in safe custody at the Treasury, Sub-Treasury and at Self-Accounting Departments. Boards shall also be appointed not less than once a year to hold surprise surveys.

Surprise Boards of Survey. 272. The Mentri Besar may appoint Surprise Boards of Survey periodically on the cash, stamps and items held in safe custody in charge of Heads of Departments.

273. Annual and Surprise Surveys of the Stock of stamps and postal orders and cash in the Post Offices of the various stations shall be held and conducted on the same lines as the surveys referred to in Financial Regulations 271 and 272.

Surveys on
Post Offices.

274. The appointment of Boards of Survey shall be kept strictly confidential by all concerned.

275. Accounting Officers shall be present while a Board is being held on cash, stamps and items held in safe custody in their charge. In the case of surprise surveys the Accounting Officer shall write up his Cash Book, etc. to date and enter the balances. In the case of end-of-year surveys no cash transactions shall take place between the close of business at the end of the year and the beginning of the Survey.

Attendance of
Accounting
Officers.

276. The Board shall count the cash and stamps on hand including items held in safe custody and the contents of all strong-rooms, safes and cash boxes. The actual balances found shall be compared with balances as shown in the Cash Book, the Stamp Register and the Securities Register. Any discrepancies shall be included in the Board's Report. For each bank balance in the Cash Book, the Board will ask the Accounting Officer to produce as soon as possible a Bank Certificate and a Reconciliation Statement. The Board will check that the balance on each Reconciliation Statement agrees with the Bank Certificate and Cash Book.

Duties of
Board.

277. When the cash under survey is that of an Imprest Holder, the Board shall satisfy itself that the balance on hand, plus paid vouchers entered in the Imprest Cash Book but not yet reimbursed to the Imprest Holder, equals the authorised Imprest. The Board shall also satisfy itself that the terms of the Imprest are being observed.

Survey of
Imprests.

278. Should the verification of cash, stamps and items held in safe custody be interrupted, the strong-room, safe or cash box containing the unverified portion of the stock shall be sealed by the members of the Board. The seal shall not be broken except in the presence of the Board.

Procedure
when Survey
is interrupted.

279. The Reports of Boards shall be prepared in quintuplicate and signed by each Member. Copies shall be sent to the Mentri Besar, the State Financial Officer, the Auditor General and the relevant Head of Department. The Report shall include :—

Reports of
Boards.

279.1 The date and hour at which the survey began and ended.

279.2 The book balances as ascertained under Regulations 276 and 277.

279.3 A full specification of the items surveyed. Cash shall be specified by denominations of notes and coins. Cheques shall be individually listed by their serial numbers, dates and amounts and relevant receipt form numbers.

279.4 Where appropriate the Bank Reconciliation supported by a Bank Certificate of Balance.

279.5 The name and designation of the officer directly responsible for the items surveyed.

279.6 The maximum authorised holding of cash and stamps if applicable.

279.7 Any other comment that the Board may think appropriate.

Surpluses and Shortages.

280. Any surplus disclosed as a result of a Board of Survey shall be brought to account as Revenue. Any deficit (if not immediately made good) shall be charged as an advance against the responsible officer after consultation with the State Financial Officer.

Serious shortages to be reported immediately.

281. A Board of Survey which discovers any serious shortage shall report the matter at once to the Head of Department concerned to enable him to take immediate action. Details of the shortage and action taken shall be included in the Board's Report.

282. — 285.

Losses of Public Money, Stamps and Stores

Responsibility of Officers for Losses.

286. Should it appear that public money or public stores have sustained a loss by reason of the neglect of an officer, the officer may be surcharged under the provisions of article 16 of The Constitution (Financial Procedure) Order 1959.

All Losses to be reported immediately.

287. A Report on all suspected losses, even if they have been made good, shall be made immediately. The Reports are required in duplicate, the original shall be sent to the State Financial Officer and the duplicate to the Auditor General.

Withholding of a Report of all Losses.

288. It is not within the discretion of any officer to withhold a Report of any case in which a theft, fraud, misuse or loss is known or suspected notwithstanding that restitution may have been made ; nor shall a Report be delayed to enable restitution to be made.

Suspected criminal offences to be reported to Police.

289. If after preliminary investigation the Head of Department has reason to suspect that the loss is due to theft, criminal misappropriation or other criminal offence, he shall also immediately report the matter to the Police.

Investigations and Reporting Losses Procedure.

290. Investigations into each case of loss shall be carried out by the Head of Department so that a complete and co-ordinated report may be presented for decision. For the guidance of officers making such investigations the following procedure shall be adopted :—

- 290.1 A preliminary Report shall be made to the State Financial Officer and the Auditor General.
- 290.2 Unless the State Financial Officer issues instructions to the contrary or informs the Head of Department that he is despatching a member of his staff to conduct an enquiry, the Head of Department shall proceed to investigate the matter in detail or arrange for an investigation by a suitable officer.
- 290.3 A Report shall then be submitted to the State Financial Officer and the Auditor General giving specific information in respect of :—
- 3.1 The place where the loss occurred.
 - 3.2 The date of occurrence, if known, and the date of discovery.
 - 3.3 The amount involved in the loss or the cost of the stores lost and whether or not it has been partly or wholly made good.
 - 3.4 The name of the officer immediately responsible for the custody of the deficient items and the length of time they had been in his custody.
 - 3.5 The precise circumstances in which the loss occurred and was discovered.
 - 3.6 Whether the loss occurred directly or indirectly from the apparent negligence of any officer.
 - 3.7 Whether the matter has been reported to the Police and if so, with what results.
 - 3.8 If no report has been made to the Police, state the reason.
 - 3.9 What arrangements were in existence for safeguarding the moneys or stores in question and whether arrangements had been regularly and properly carried out.
 - 3.10 What arrangements were in existence for the periodical checking and paying-in of cash held by the officer concerned and whether these arrangements had been regularly and properly carried out.
 - 3.11 When the last paying-in took place, and when, and by whom, a detailed check was last made. It shall be

stated specifically whether all the Receipt Books on charge to the Collector responsible were checked, and if so, the date of the last check shall be stated.

3.12 What officer or officers have been or should be called upon to show cause why he or they should not be required to make good the whole or a part of the loss involved, giving full and specific reasons for the recommendations.

3.13 If the answer to 290.3.12 is in the negative, full and specific reasons why it is not considered that any officer or officers should be required to make good the whole or part of the loss.

3.14 What additional precautions, if any, are proposed to prevent a recurrence of the loss.

3.15 Whether an advance account has been opened to cover the loss.

291. A specific answer to each of the questions in Regulations 290.3.1 to 290.3.15 shall be furnished, the numbered reference to each question being set out in tabular form with the answer against each. If in any case the question does not arise, the lettered reference shall nevertheless be given and a statement shall be made to the effect that the question does not arise.

Fines not to be applied to making good a loss.

292. A fine imposed by a Court in a case of misappropriation of public money and stores shall not be applied directly to make good the loss. The fine shall be credited to Court Revenue.

Authority for writing off.

293. Losses and deficiencies shall not be written off until authority to do so in accordance with Regulations 301 — 305 has been received through the State Financial Officer.

294. — 300.

Write-off

Powers of write-off.

301. The Sultan in Council has power to write off losses and deficiencies of public moneys and stores, to write off condemned, unserviceable, and obsolete stores, and to abandon irrecoverable amounts of revenue, debts, and overpayments. The Sultan in Council has delegated certain of these powers as follows :—

Royal Brunei Malay Regiment

301.1 To write off condemned unserviceable and obsolete stores and equipment where the cost of the item did not exceed the amounts shown :—

(i) State Financial Officer — \$2,500

(ii) Commander Royal Brunei Malay Regiment — \$750

301.2 To waive recovery of barrack damages where the degree of negligence does not justify full recovery :—

(i) State Financial Officer — \$750

(ii) Commander Royal Brunei Malay Regiment — \$250

(iii) Commanding Officer Battalion — \$50

301.3 To write off losses and deficiencies of stores including losses due to negligence, subject to Boards of Enquiry being convened :—

Commander Royal Brunei Malay Regiment — \$1,000

301.4 To write off motor vehicles :

Commander Royal Brunei Malay Regiment.

302. Applications for the authorisation of write off of losses or deficiencies of public moneys shall be made to the State Financial Officer. Regulations 290.3 and 293 are relevant.

303. Applications for the authorisation of write off of losses or deficiencies of stores outside the terms of Regulation 301.3 shall be made to the State Financial Officer. Regulations 290.3 and 293 are relevant.

304. The procedure of initiating the disposal of condemned, unserviceable, and obsolete stores outside the terms of Regulations 301.1, 301.2, and 301.4 is governed by Regulations 589 to 591. A Head of Department who wishes to dispose of such stores shall, where it is appropriate, first obtain a Technical Inspection Report from the relevant Technical Department. He shall then apply to the appropriate Standing Board of Survey for an inspection of the stores ; any relevant Technical Inspection Report shall be enclosed with the application. Disposal shall only be made after authorisation has been given in terms of Regulation 591, and shall be made in accordance with Regulation 305.

305. The disposal of stores following the conclusion of the procedure under Regulation 304 shall, unless otherwise directed by the Menti Besar, be by sale by public auction or public tender, or by destruction by fire or breaking up, or by burial in the ground, or by dumping in deep sea or on controlled scrap-heaps. The occasional clearance of controlled scrap-heaps shall be by public tender, though official use of such scrap is none the less permissible.

306. Applications for the authorisation of the abandonment of irrecoverable amounts of revenue, debts, and overpayments shall be made to the State Financial Officer. Full reasons for the failure to collect the irrecoverable amounts shall be given.

Sub—Accountants

Duties of Sub-Accountants.

307. The duties and responsibilities of sub-accountants are fully set out in Regulations 16 and 17. District Officers who are also sub-accountants are required to carry out the duties as prescribed in these Regulations.

308. Every sub-accountant shall keep a Cash Book in which he shall enter all sums of public money received or paid by him. He will balance the Cash Book daily and will check the balance with the cash and cheques in hand and keep a record as follows :—

Opening balance in Cash Book (date)	.....
Add Receipts	.....
Total Receipts	.....
Deduct Payments	.....
Closing Balance in Cash Book	.....

Cash :

1 ct	.....
5 cts	.....
10 cts	.....
20 cts	.....
50 cts	.....
\$ 1	.....
\$ 5	.....
\$ 10	.....
\$ 50	.....
\$ 100	.....

Cheques	.....

Total of Cash and Cheques (which agrees with above closing balance)

.....
Sub. Accountant.

Submission of monthly accounts.

309. All cash and cheque transactions will be entered in the Cash Book as they occur. The entries will be numbered consecutively in the order of the receipts or payments corresponding with the numbers affixed to the supporting vouchers.

310. Except as specially prescribed, the following statements and accounts, as may be applicable, shall be rendered monthly to the State Financial Officer not later than eight working days following the end of the month to which they relate :—

310.1 Original Receipt and Payment Cash Sheets.

310.2 Duplicate Receipt Forms in Cash Book Order.

310.3 Original Payment Vouchers in Cash Book Order.

310.4 Signed copy of the Cash Balance Certificate (Regulation 308) for last day of business, and Bank reconciliation statement for last day of business.

311. When the monthly accounts are received in the Treasury they shall be checked with the supporting vouchers, and any item insufficiently accounted for shall be pursued. Any payments disallowed by the Treasury shall be recovered in accordance with directions given by the State Financial Officer.

312. — 315.

Departmental Accounts

316. The Subsidiary Revenue Records that are to be kept by departments will vary according to the nature of the transactions of the department, but they shall be maintained in such a manner as to show all sums due and to show full details of eventual settlement or, in exceptional circumstances, waiver. They shall be in such a form as to enable the individual amounts to be checked, and to enable the totals in respect of each Sub-Head of Revenue to be reconciled with the Treasury accounts.

Subsidiary
Revenue
Records.

317. For departments operating public utilities e.g. Electrical Department, Telecommunications Department, and for Departments operating stocks and trading accounts the method of accounting will be suited to their particular requirements and will be separately approved by the Treasury.

Method of
accounting.

318. Heads of Departments shall submit to the State Financial Officer for consideration and approval any proposed supplementary financial regulations or changes in accounting procedure of particular application to their departments. No variation of the approved system shall be made without reference to the State Financial officer.

Approval for
changes.

319. No financial adjustment shall take place on account of services rendered by one department to another or in respect of the transfer of allocated stores, equipment etc. purchased from departmental votes except as specially directed by the State Financial Officer. Only departments operating public utilities and stocks and trading accounts

Financial
adjustments
for
Departmental
Services.

may charge at approved rates for services rendered or for goods supplied to other departments.

Inter-
Departmental
payments.

320. No cash transactions shall take place between departments. Adjustments shall be effected by means of Journal Vouchers.

321. — 326.

Tenders and Contracts

327. Works, services, and stores not exceeding \$5000 in cost may be indented without recourse to public tender. However, if the cost is expected to exceed \$1000, the Controlling Officer shall invite written quotations from a reasonable number of reputable suppliers and shall accept the quotation most favourable to the Government. Reference to the correspondence shall be shown on the payment voucher. Indents for works or services shall show the full specification of the works or services required and of the agreed charges, and it shall also show the agreed time of completion. Indents for stores shall be drawn up as is provided in Regulation 517.

328. Where works, services, and stores exceed \$5000 in cost, tenders procedure shall be followed.

H.H. The
Sultan to
appoint Board.

329. A Tenders Board shall be appointed by His Highness the Sultan annually, to receive and examine tenders, and to make recommendations to the Mentri Besar.

Quorum.

330. A quorum of the Board shall consist of half of the total membership and in the event of an odd number, half of the next highest even number. In the event of disagreement, decisions shall be taken by majority vote. The Chairman shall have a casting vote.

Minutes of
Board.

331. All recommendations of the Tenders Board, but not an account of its discussions, shall be recorded in Minutes, which shall be laid before the Board for confirmation at the next Meeting of the Board. The Chairman of the Tenders Board shall sign such confirmed Minutes and shall forward them to the Mentri Besar for his approval. The decision of the Mentri Besar on the award of any tender shall be final.

Mentri Besar's
Approval of
Board's
Minutes.

332. The Mentri Besar shall notify his approval or otherwise to the Chairman of the Tenders Board, and one copy of his letter together with the Minutes thereby approved shall also be forwarded by the Mentri Besar to the Auditor General.

333. Where a tenderer, on being informed of the Government's acceptance of his tender, declines to fulfil the tender or seeks some amendment to it, the Tenders Board shall be informed without delay. The matter shall be considered by the Tender Board, and it shall be the subject of a recommendation as provided for in Regulation 331.

Any tender deposit shall be retained, as its manner of disposal shall be as directed by State Financial Officer.

334. When tenders are invited the fullest possible publicity shall be given to the fact, and the following procedure shall be observed :

Invitation of
Tenders to be
given full
publicity.

334.1 Tenders shall be invited by a notice giving full details regarding the terms and conditions of the supply, service or works to be performed, of the amount of the deposit required, instructions as to its payment and the manner in which the tender should be submitted if required on special forms. A notice inviting tenders shall allow a reasonable time, not less than two weeks from the date of the advertisement, in which to tender.

334.2 When inviting tenders mention of trade names or brand names shall if possible be avoided in order to permit the widest opportunity for economic purchases consistent with quality and serviceability.

334.3 A copy of the notice calling for tenders shall be published in the *Brunei Government Gazette* and such newspapers as will ensure that adequate publicity is given to the supply, service or works required. Copies of the notice shall be displayed on any suitable notice board in the locality and shall also be sent to the Trade offices of particular Governments as may be directed by Treasury Circulars. A sufficient number of copies of the notice to provide one for each member shall also be sent to the Chairman, Tenders Board.

334.4 Tenderers shall be instructed to submit tenders in plain sealed envelopes, together with the official receipt forms for any deposit required, and, if not sent by post, to place them in the Tender Box located at the Government Offices. Tenders shall be sent out in the manner specified in the notice inviting tenders. The envelope shall show in the top left hand corner the advertised title of the tender, and shall be addressed to the Chairman of the Tenders Board.

334.5 The key to the tenders box shall be kept by the Chairman who, if unable to attend a meeting, shall arrange for the key to be handed over the Acting Chairman.

334.6 The tenders shall only be opened during a meeting of the Board. Each tender shall be serially numbered, dated and initialled by the Chairman or one of the members.

334.7 Until tenders have been finally disposed of, they shall be secured by the Chairman of the Tenders Board and com-

municated only to those officers responsible for dealing with them.

Waiver of
Tenders Board
procedure.

335. Where Heads of Departments consider that, because of the nature of the goods or services required, the Tenders procedure is inappropriate, application may be made to the Chairman of the Tenders Board for it to be waived.

336. Whilst an offer or tender by a person or firm and its acceptance by the Government is in fact a contract, for the purpose of these Regulations a Contract is a written form of agreement entitled Contract which has been signed jointly in the name of the Government and in the name of the relevant other party.

337. Generally, the acceptance of a tender for works or services as provided for in Regulations 331 and 332 will lead to the signing of a Contract. Heads of Departments shall provide the State Financial Officer and the Auditor General each with one copy of every Contract immediately its signing has been concluded, and each copy will include a reference to the head and subhead of the Estimates to which the cost is chargeable or to which the revenue is creditable.

338. When a tender has been accepted for the supply of stores of any description (Regulation 501), or for works or services not of a substantial nature, the circumstances may be such that the preparation of an Indent may be more suitable than the preparation of a Contract. In this event, in the case of stores the procedure at Regulation 517 shall be followed, and in the case of works and services an approved form of Indent shall be used in the manner of Regulations 517. The purpose of the Indent is to support the payment voucher with a standard and authorised summary of the preliminary correspondence.

339. It is the responsibility of Heads of Departments to ensure that Contracts are drawn up in accordance with current requirements, particularly with regard to the provision for guarantees, penalties, and damages.

340. It is the responsibility of Heads of Departments to ensure that any variation to a Contract receives due authorisation. In the event of any default by a Contractor, the State Financial Officer shall be informed without delay.

Miscellaneous

No alterations
or erasures in
Books and
Accounts.

341. Should errors be made in accounts or accounting documents, and it is impracticable to prepare fresh documents, corrections should be made by crossing out the incorrect figures and writing the correct figures above. Such corrections should be authenticated by the responsible officer concerned. On no account shall an audited figure be amended without the consent in writing of the Auditor General.

342. Facsimile signature stamps shall not be used on any original accounting letters or forms. Use of facsimile signatures.
343. The pages of all account books shall be serially numbered. If the numbers are not printed they shall be inserted in ink before the page is brought into use. Pages in Account Books to be numbered.
344. The use of green pencils and ink for accounting purposes is restricted to the Audit Department. Green Pencils and Ink.
345. No Court fees are payable by the Government in an action against a private person or company. But if the Government is successful in an action, the Court has power to award costs to the Government. Accounting for sums recovered and costs in Government Suits.
346. Responsibility for obtaining payment of amounts due under a judgment or order, including costs awarded to the Government, rests on the Department or officer instituting or defending the suit. Until such sums are recovered they shall be shown as arrears of revenue.
347. On receiving the amount due under a judgment or order of a Court, the Department or Officer obtaining the judgment or order shall bring the full sum including costs to account in the Cash Book.
348. When the amount due to Government under a judgment or order has been brought to account as a court deposit the officer who instituted the suit is responsible for securing payment of the amount due to Government from that Court Deposit.
349. Communications with other Governments or with Government Agents involving financial transactions will be made only by the State Financial Officer. Requests for recoveries, changes of salary arrangements and all routine financial or accounting matters required to be referred to other Governments must be addressed to the State Financial Officer. See also Regulation 86. Financial communications with other Governments.
350. A Treasury Officer on inspection duty will be provided with a letter of authority signed by the State Financial Officer, identifying him as an officer of the Treasury and reminding all officers that in accordance with the provisions of Regulation 17.14 he is entitled to have access to all books, records or returns relating to accounts, and that all Accounting Officers shall give him every facility for inspecting such documents. Treasury Officers to carry Letter of Authorization.
351. — 500.

PART III

Stores

Introduction

- Responsibility of Heads of Departments.** 501. Every Head of Department is personally and pecuniarily responsible for the general supervision, maintenance and control of stores received or held by the Department whose expenditure he controls. The term stores is applied to all public property, chattels, equipment, furniture and fittings, plant and machinery, tools implements, instruments, utensils, accoutrements, expendable and consumable materials, etc.
- Responsibility of Officers.** 502. Every Government Officer is personally and pecuniarily responsible for stores under his control or in his custody.
- Classes of Stores.** 503. For purposes of accounting, stores are of two classes namely :
(a) Unallocated Stores, and (b) Allocated Stores.
504. Unallocated Stores are stores the cost of which is charged initially to an Unallocated Stores Account. Such Accounts are statutory funds within the terms of The Constitution (Financial Procedure) Order 1959. Unallocated stores are accounted for both numerically and financially. When the stores are issued they become Allocated Stores in the Department to which they are issued.
505. Allocated Stores are stores in respect of which the vote of charge is known when the stores are purchased, or are received from Unallocated Stores. Allocated Stores are accounted for numerically and are further classified as follows :—
- 505.1 Stock Ledger — all items to be held in stock for later use.
 - 505.2 Inventory — all durable items for immediate use and not taken on stock ledger charge.
 - 505.3 Consumable — all items which are purchased, or received from Unallocated Stores and are of such nature that they are not normally required to be further accounted for. There may be exceptions in that in the case of certain types of stores, consumption records are required to be kept.
506. Stores may be classified differently in Departments depending on the use made of them e.g. stationery in the majority of Departments will be regarded as consumable whereas in the Department of the Government Printer the main stocks of stationery are classified

under Regulation 505.1, being held on Stock Ledger charge. Bulk stocks of petrol may be an item of Allocated Stores in certain Departments such as the Fire Brigade or Police but in the Public Works Department may also be an item of Unallocated Stores pending issue to various Departments. In such Departments petrol would become an item of Consumable Stores.

507. — 510.

Purchase of Stores

511. Controlling Officers are authorised to procure stores for which provision has been made in the approved estimates of their Departments by the following methods :— Authority to purchase.

511.1 By requisition on the appropriate Government Department.

511.2 By public tender — Regulations 329 — 340 are relevant.

511.3 By indents on specified suppliers where procedure under Regulation 511.2 has been waived under authority — Regulation 335 refers.

511.4 By purchase under Regulations 327 and 514.

512. Controlling Officers shall not purchase stores in excess of their requirements. They shall be liable to make good any loss that may result from holding excessive stocks.

513. Every officer authorising or recommending a procurement shall ensure after making reasonable enquiries that the item to be procured is the one which it would be most advantageous to the Government to purchase, taking into account price, quality, availability, intended use, and any other relevant factors. Full preferential use is to be made of the stocks of the State Stores and Supplies Department. Regulation 519 is relevant. Purchases to be most advantageous to Government.

514. Where stores not exceeding \$5000 in value are purchased without public tender under Regulation 327, that Regulation shall not be evaded by dividing a purchase into portions of \$5,000.00 or less nor by spreading a requirement over a number of suppliers.

515. When requisitions are placed on Government Departments, the appropriate form of requisition shall be used to suit the needs of the supplying Department.

516. When orders are placed on the Crown Agents, Crown Agents' Indents shall be prepared by Controlling Officers in quintuplicate and shall be submitted to the Treasury. After authorising them, the Treasury shall transmit two copies to the Crown Agents, one copy to Crown Agents Indents.

the Controlling Officer, one copy to the Auditor General, and shall retain one copy.

517. When orders are placed under Regulations 511.3 and 511.4 an approved form of Indent shall be used. Each Indent shall show the full specification of the stores, the quantity required, the unit price, the charges where appropriate for freight and insurance, and the total cost. (See also Regulation 46.2). It shall also show the agreed time of completion. These Indents shall be serially numbered and shall be prepared in triplicate at the time the goods are ordered, the original and duplicate being sent to the supplier. The original Indent shall be returned by the Supplier together with the bill or invoice, and no payment shall be made unless the original Indent and bill or invoice are attached to the payment voucher. The duplicate Indent may be retained by the Supplier ; the triplicate shall remain in the book as an accounting record and shall be endorsed with details of the relevant payment voucher. Books of Indent shall be kept under lock and key, and shall be used only by officers authorised to do so by Controlling Officers. Where it is represented in writing by a supplier than an original Indent has been mislaid, the fact shall be recorded on the triplicate Indent. The Controlling Officer shall certify a true copy of the Indent for attachment to the payment voucher, on which he will also certify that the Indent has not been paid for previously.

**Stores
common to
several
Departments.**

518. The Controller of Government Stores & Supplies shall issue periodical lists of Common User Stores ; such Stores will be held by the Controller from whom all other departments will draw their requirements as a charge upon their provision in the approved estimates. It is the responsibility of consumer departments to advise the Controller of Government Stores and Supplies of their requirements for any year as far as is possible in advance of the required date of issue. Unless otherwise authorised by the Controller of Government Stores and Supplies, no department other than the State Stores will purchase Common User Stores from commercial suppliers.

**Goods to be
consigned to
Department.**

519. Suppliers shall be informed that all goods ordered shall be consigned to the appropriate Department or Section and under no circumstances to an individual by personal name.

520. — 530.

Landing of Stores

**Landing of
Stores.**

531. The Head of Department is responsible for the clearance of Stores which are imported into the State and consigned to his Department. It is the duty of the Head of Department to keep himself informed of the expected date of arrival, of the port of entry and of the carrier of stores consigned to his Department and he is responsible for the prompt clearance of consignments.

532. Packages shall be carefully checked with the Bill of Lading or other relevant carrier's documents and scrutinised as soon as possible after landing, special attention being paid to bales and packages containing fragile stores and materials liable to damage by sea-water.

Inspection of packages.

533. Whenever practicable packages shall be weighed before delivery is taken and the weight compared with the particulars on the packages or the invoice.

Weighing of packages.

534. Packages bearing signs of damage or loss or of having been tampered with shall, before delivery is accepted by the consignee, be opened and examined in the presence of the carrier's agent or representative and of a representative of the consignee department. The packages shall be compared with the particulars on the invoice.

Defective packages.

535. If the stores are received in good order the consignee shall give the carrier's agent a clean receipt on the Bill of Lading.

Endorsement of Bills Lading.

536. If any stores are short-landed or not received by the consignee or are damaged the Bill of Lading shall be endorsed accordingly and a certificate detailing the defects shall be obtained by the clearing officer from the carrier's agent. A claim in respect of the value of the missing stores shall then be made by the Head of Department concerned. For cargoes consigned by the Crown Agents the claim procedure will be as set out in the booklet "The Crown Agents Marine Insurance Service" and as amplified by Treasury Circulars from time to time.

Stores short-landed or damaged.

537. It is important to submit claims with the least possible delay and with all available documentary evidence, such as a certificate by the carrier admitting the discrepancy, a copy of the qualified receipt given, a copy of the notice of damage, a Survey Report and a copy of any correspondence with the carrier's agent.

Submission of claim supporting evidence.

538. Stores shall be removed from the port of entry as soon as possible after clearance and in any event within seventy-two hours thereof. Adequate protection shall be provided against loss or damage during transit from port of entry to Department stores and any loss sustained as a result of inadequate protection may render the responsible officer liable to surcharge.

Removal of stores.

539. — 549.

Receipt of Stores

550. The receipt of all stores shall be recorded in accordance with the classification of stores set out in Regulation 503—506. All such stores received shall be recorded at the earliest practicable time and the new balance shown. The unit of quantity of stock-ledger-charge stores shall be shown on each ledger folio, and articles must always be taken on charge in such units. Stores bearing a manufacturer's serial

number, model number or other identification mark shall have this information recorded on the ledger folio or inventory.

Index for
Ledgers.

515. Except where self indexing ledgers or inventories are used the records shall be indexed so as to permit ready reference to any particular item. Where continuation ledgers are brought into use the closing balance in the old ledger shall be cross-referenced to the opening balance in the new ledger and vice-versa.

References to
be recorded.

552. The reference of the vouchers on which stores are received shall be recorded against the entries in the ledger or inventory, and the folios of the ledger or inventory to which receipts have been posted shall be noted on the vouchers.

Costing of
stores.

553. Unallocated Stores shall have an issue valuation assigned to them as soon as possible. This valuation shall be the total amount charged to the Statutory Fund for their acquisition e.g. cost price, freight, insurance, etc. The average cost of each unit of quantity shall then form the issue price. A revaluation of the issue price is necessary on each occasion fresh stocks are added to a ledger item.

Stores
returned.

554. If, after issue, any items obtained from Unallocated Stores are found to be surplus to requirements they may, if in a condition acceptable to the issuing officer, be returned to Unallocated Stores at a price to be determined by him.

555. — 559.

Issue of Stores

Requisition
of stores.

560. Requests for stores shall be made on a form of requisition as approved by the Treasury. Composite forms obtaining Requisition and Issue Vouchers may be used.

Requests for
stores.

561. When stores are required a requisition signed by an officer authorised by the appropriate Head of Department to draw stores shall be submitted to the issuing Department. The Issuing Department shall fulfil the requisition as far as possible and shall issue a certificate of non-availability for those items which cannot be supplied. In the case of Unallocated Stores the issue price shall be inserted on the issue voucher. The issue of all Stores shall be recorded in a ledger or inventory record at the time of issue and the new balance also shown.

References to
be recorded.

562. The references of the vouchers on which stores are issued shall be recorded against the entries in the ledger or inventory and the folios of the ledger or inventory on which issues have been posted shall be noted on the vouchers.

Inter-
Departmental

563. Transfers of Allocated Stores to other departments shall normally be made without financial adjustment. In certain circumstances

however, Departments may be permitted by the State Financial Officer to journalise expenditure votes with the cost of articles so transferred.

transfers of
Allocated
Stores.

564. With the exception referred to in this regulation Stores may not be issued or sold to Government officers in their private capacity or to private persons. Items of produce or articles manufactured or purchased by the Government expressly for sale to the public under approved schemes are excluded from this requirement.

Sales of Stores
to private
persons
prohibited.

565. Where stores are issued under the provisions of Regulation 564, the appropriate contract number shall be recorded on the issue voucher.

566. Unallocated Stores shall not be issued on loan. Allocated Stores are not to be issued on loan, except for Government purposes and with the approval of the Head of Department. A register shall be kept recording the issue and return of allocated stores on loan.

Loan of
Stores.

567. When stores, whose writing off has been authorised in terms of Regulations 301 to 305, are disposed of, the issue voucher shall be supported by a reference to the authority given under Regulation 591, together with a certificate of disposal or a reference to the receipt of sale as the case may be. The certificate of disposal shall be signed by two senior officers who attended the destruction, burial, or dumping.

568. When losses are written-off the authority shall be quoted on the relevant issue voucher together with a reference to the authority for and collection of any surcharge that may have been imposed.

569. Losses of Unallocated Stores shall be written-off at the current issue price.

570. — 574.

Supervision, Custody and Control of Stores

575. The Officer expressly named in a delegation by the Head of Department shall be directly responsible for the supervision, custody and control of stores of that department. This delegation does not absolve Heads of Departments from the obligation imposed under Regulation 501.

Responsibility
of local
Representatives.

576. Every officer having charge of Government stores is personally responsible for safeguarding them and seeing that they are properly sheltered and protected. Due consideration should be given to the climatic conditions in which stores are to be kept. It is the responsibility of Heads of Departments to ascertain these conditions with regard both to temperature and to humidity, and to provide suitable storage accordingly.

Responsibility
for the
protection of
stores.

577.4 an inspection of the stores fastenings.

577.5 the Report shall state —

577.5.1 the result of the inspection in respect of 577.1 to 577.4 above ;

577.5.2 whether the ledgers are properly kept and entered up to date ;

577.5.3 whether vouchers, invoices and requisitions are properly filed ;

577.5.4 whether any stores are held in excess of requirements or are sufficiently slow-moving to invite review, or are obsolete.

577.5.5 any recommendations regarding the improvement of the operation of the store.

Register of Inspections and Boards of Survey.

578. A register of such inspections shall be maintained and shall also include details of Boards of Survey held under Regulations 586 — 595. The entries shall be made and signed by the officer in charge of the inspection or the President of the Board of Survey.

Reporting of unserviceable and surplus stores.

579. Every officer having charge of Government stocks of stores shall furnish at the end of each quarter to his Head of Department :—

579.1 a list of unserviceable and obsolete stores ;

579.2 a list of stores held in excess of requirements, or are unreasonably slow-moving.

580. Bin cards for recording receipts, issues and balances of stores shall be kept. This Regulation does not apply to stores where the

storekeeper is necessarily responsible both for the stock and for store record, nor where special dispensation not to keep bin cards has been given by the State Financial Officer.

581. In the case of stores held under a Stocks or Trading Account a Tabular Summary in the form laid down below will be prepared as soon as possible after close of the financial year.

Tabular
Summary.

582. The Tabular Summary will show :

582.1.1 Opening Balance — the value of stores in stock at the beginning of the year as shown by the Stock Account or, in the case of Works Accounts, of works in progress being the value of jobs in hand remaining uncompleted at the end of the previous year.

582.1.2 Total debits and total credits in the account.

582.1.3 Any figure required to adjust the closing balance in 582.1.4 to the total value of the costed and certified stock list in 582.2. Any such adjustment must be fully explained.

582.1.4 Closing Balance — the value of stores in stock at the end of the financial year as shown by the Stock Account.

582.2 The Tabular Summary will be supported by a Costed and Certified Stock List.

582.3 Copies of the Tabular Summary and the Stock List will be sent to the State Financial Officer and to the Auditor General.

583. — 585.

Boards of Survey on Stores

586. Annual Boards of Survey shall be appointed by the Mentri Besar at the beginning of December annually. Each Board shall consist of a President and not less than two other members. The duties of the Board are to inspect and report on stores on Ledger and Inventory Charge.

Annual Boards
of Survey.

587. The procedure for Boards of Survey shall be as follows :—

Date and
Duties of
Board of
Survey.

587.1 The Survey shall begin on the first business day after 31st. December unless otherwise directed;

587.2 The hours of attendance of Boards of Survey shall be fixed by the President;

- 587.3 The ledgers shall be balanced before the work ;
- 587.4 The Board shall check at random not less than 20% of the items held but the President of the Board shall use his discretion as to the extent of further checking in detail in respect of valuable and attractive items held in the store. Should any serious discrepancies or malpractice be discovered the President of the Board should report the facts immediately to the State Financial Officer who shall thereupon determine what additional checks are to be applied.
- 587.5 The Board shall include in its report all discrepancies disclosed between the balances and actual stocks. Any explanations that the Board can obtain in regard to the excesses or deficiencies shall also be included in the report ;
- 587.6 Note shall be taken of any stores checked which appear to be unserviceable and they shall be listed separately. The Board shall record in its Report its opinion as to why the stores have become unserviceable ;
- 587.7 All items found surplus to the ledger or inventory balance will be immediately brought on charge by receipt voucher and the ledger entry shall be clearly countersigned by the President of the Board. In the case of deficiencies the President of the Board shall report full details to the Head of Department to enable him to take immediate action in accordance with Regulations 286 — 293. All items found to be surplus or deficient will be included in the Board's Report ;
- 587.8 On completion of the Survey the Board shall forward its Report in duplicate to the Mentri Besar through the State Financial Officer. Copies will also be sent to the Head of Department concerned and to the Auditor General. The Head of Department shall submit in duplicate to the State Financial Officer, with a copy to the Auditor General, such observations and recommendations as he considers necessary.

Boards do not relieve Heads of Departments of responsibility.

Standing Boards of Survey.

588. The appointment of these Boards shall not relieve Heads of Departments or their representatives of their responsibility for ascertaining by periodical stock-taking that the balances shown in the ledgers and inventories are actually in stock.

589. The Mentri Besar shall appoint Standing Boards of Survey as may be considered necessary for the purpose of inspecting and making recommendations upon stores which have been reported by a Head of Department as being unserviceable, obsolete or surplus to re-

quirements. Reports on specialised electrical and mechanical stores shall be accompanied by Technical Inspection reports issued by the appropriate Technical Department.

590. The Board shall submit reports of their findings to the Mentri Besar through the State Financial Officer. A copy of the report shall also be sent to the Auditor General.

Board's
Report.

591. The appropriate authorisations for write-off and disposal of stores surveyed under Regulation 589 will be issued by the Mentri Besar, copied to the State Financial Officer and Auditor General.

592. Boards of Survey shall not include the officer in charge of the stores to be surveyed nor officers of the Audit Department.

Persons not to
be Members
of Boards.

593. — 595.

Handing over Stores, Furniture, Equipment, etc.

596. When an officer is about to relinquish the duties of his post he shall check the stores in his charge with his successor, and both officers shall sign a Certificate of Handing over Stores. This Certificate shall be prepared in duplicate, one copy being retained by the incoming officer and the other being filed by the Head of Department.

Handing over
Stores etc.

597. In cases where, owing to the number of items, it is impossible to check all the stores, a test check shall be made and a certificate given by the officers concerned that so far as they are able to judge, the stocks are satisfactory as compared with the recorded balances. Before this Regulation is applied by any department, the approval of the State Financial Officer is necessary.

598. A detailed schedule of surpluses and deficiencies shall be signed by both officers and attached to the certificate together with an explanation of the discrepancies by the outgoing officer.

Report on
discrepancies.

599. In the event of any omission to report deficiencies the officer taking over will himself be liable for all such deficiencies.

600. If the outgoing officer is unable to hand over personally, his successor shall apply to the Head of Department for the appointment of a Board consisting of one or more officers for the purpose of checking and handing over the stores. The incoming officer shall be present during the proceedings of the Board. The relevant certificate, together with the schedule of discrepancies shall be signed by the Board and the incoming officer.

Board in
absence of
outgoing
officer.

601. When an officer is about to vacate furnished quarters in his charge he shall inform the Furniture Officer who shall check the furniture on charge and shall certify the outgoing occupant's copy of the inventory accordingly. The Furniture Officer shall then take full responsibility for that furniture and shall secure it accordingly.

Vacation of
furnished
quarters.

602. In the event of any breakages or deficiencies the outgoing officer shall furnish particulars, in writing, to the Furniture Officer together with an explanation. The deficiency shall then be dealt with in accordance with Regulations 286 — 293.

603. — 650.

PART IV

AUDIT

Auditor General or any officer deputed by him has access to all accounting records.

651. The Auditor General or any officer deputed by him shall have access to all records, books, vouchers, documents, cash, stamps, securities, stores and other properties subject to his audit. It is the duty of all accounting officers to afford the Auditor General all necessary facilities in the execution of his duties. The Auditor General or any officer deputed by him may remove records and documents from their normal premises, and shall give a written acknowledgement therefor upon request.

652. It is the duty of all accounting officers to reply without undue delay to queries addressed to them by the Auditor General, giving fully the particulars or information required. Replies to resolved portions of queries shall not be unduly delayed pending investigation into unresolved portions. In the absence of any reply the Auditor General may report the delay to the State Financial Officer, or in extreme cases to Mentri Besar, though without prejudice to article 9 (7) of the Constitution (Audit) Order, 1959.

Audit does not affect responsibility of Accounting Officers.

653. The Auditor General's examination and enquiry into the accounts of accounting officers shall not absolve any officer from his responsibility for complying or securing compliance, with instructions within the scope of his own authority.

654. — 660.

Made this 2nd. day of December, 1982.

DATO PADUKA HAJI JUDIN HAJI ASAR
Clerk of Council,
Brunei.