

CHAPTER XXI.—ACCOUNTS OF DIVISIONAL OFFICERS.

A.—INTRODUCTORY.

536. The cash and stock accounts of the divisional office for a month are closed on the last working day of the calendar month.

537. The Transfer Entry Book for a month should be closed as soon as possible after the expiry of the month, but before this is done, all necessary transfers, e.g., those relating to the levy of the prescribed percentages for establishment, tools and plant, storage charges, etc., should be made.

1. The transfer entry relating to the levy of percentages for establishment, tools and plant and accounts and audit charges is effected on a single order of the Divisional Officer recorded in Form 62 (P.W.D. VII-98), the special form prescribed for the purpose—Vide paragraph 555.

538. The cash and stock accounts of the entire division, as also all transfer transactions, should be scrutinized by the Divisional Accountant before they are incorporated in the Monthly Account and connected registers and schedules.

1. The Divisional Accountant's responsibility as a Primary Auditor extends also to the examination of all claims included in bills presented direct at treasuries by the Divisional Officer and on behalf of the latter he should also examine the accounts of the disposal of money obtained on those bills.

2. In all matters connected with the personal claims of Government servants, the Divisional Accountant is expected to give expert advice and help. He should see in particular that service books and leave accounts of subordinates are maintained in accordance with rule, that the annual establishment return (article 130, M.F. & A.C., Volume I) is accurately prepared, and that the admissibility of leave applied for by subordinates is verified before their leave applications are disposed of by the Divisional Officer or forwarded to higher authority. In all cases of doubt, however, he should advise the Divisional Officer to consult the Account-General.

B.—SCRUTINY OF ACCOUNTS.

539. The Divisional Accountant should examine the accounts ~~returns~~ of Sub-divisional Officers on receipt to see—

(i) that they have been received in a complete state.

(ii) that all sums receivable are duly realized, and on realization credited to the proper head of account as well as to the personal account, if any, of the contractors, employee or other individual.

(iii) that the charges are covered by sanctions and appropriations and are supported by complete vouchers setting forth the claims and the acknowledgments of the payees legally entitled to receive the sums paid,

(iv) that all vouchers and accounts are arithmetically correct,

(v) that they are in all respects properly prepared in accordance with rule, and

(vi) that all charges are correctly classified, those which are debitable to the personal account of a contractor, employee or other individual, or are recoverable from him under any rule or order, being recorded as such in a prescribed account.

It should be seen in particular that, on the basis of rates sanctioned by competent authorities, and of facts (as to quantities of work done, supplies made, etc., or services rendered) certified by responsible officers, the claims admitted for payment are valid and in order.

1. It is not necessary that the Divisional Accountant should check personally the arithmetical accuracy of all vouchers and accounts, but he is responsible that a *cent per cent* check is exercised efficiently under his supervision.

540. The Divisional Accountant should exercise a similar check, from day to day, in regard to (i) the transactions recorded direct in cash and stock accounts of the divisional office and (ii) bills and vouchers of subdivisions, which are submitted to the Divisional Officer for approval before payment is made by the Subdivisional Officer. In respect of charges, this examination should be conducted before the payment is made.

The arithmetical accuracy of the entries in the measurement books relating to bills sent for pre-audit should be checked *cent per cent* in the division office under the supervision of the Divisional Accountant, though not personally by himself.

541. Every payment should be so recorded, and a receipt for the same so obtained, e.g., see paragraphs 309 and 312 that a second claim against Government on the same account is impossible and if it represents a refund of a sum previously received by Government, it should also be seen that the amount paid is correctly refundable to the payee.

542. If the Divisional Officer has set a limitation on the drawings of any Sub-divisional Officer on a treasury for any month, he should intimate the same to the Treasury Officer, and specify the date of commencement and termination of the account month of the Sub-divisional Officer. The Divisional Accountant while examining the Cash Book of the Sub-divisional Officer, should see that the total amount of cheques drawn by him during that month does not exceed the prescribed limit—see paragraph 143.

543. The Divisional Accountant is responsible that every order or sanction affecting expenditure to be accounted for in the Monthly Account, is noted at once in a suitable register (or other account), preferably one wherein the expenditure incurred against it can be watched readily. General sanctions to estimates and appropriations for works should be noted in the Register of Works. Sanctions to fixed charges of a recurring character, e.g., those relating to the entertainment of work-charged establishments should be entered in the Register of Sanctions to Fixed Charges, Form 58 [P.W.D. VI-90 (a)]. For sanctions to special payments chargeable to the accounts of works, and other miscellaneous sanctions, Form 59 [P.W.D. VI-90 (b)], Register of Miscellaneous Sanctions, will be found suitable.

1. Forms 58 and 59 [P.W.D. VI-90 (a) and (b)], may also be used in respect of sanctions to contingent expenditure when this is not brought to account in the monthly account, but separate pages of these registers should be set aside for this purpose.

2. Sanctions to estimates for works should be entered in the Register of Works, even though a collective register of all sanctioned estimates be maintained by the Divisional Officer for the own information.

544. If against a single sanction two or more disbursing officers have to operate simultaneously, the orders of the Divisional Officer should be obtained imposing a definite limitation on the money transactions of each officer. Similarly, if disbursing officers of two or more divisions are concerned, the orders of the Superintending Engineer or higher authority should be taken. In such cases, it may be advisable to have a separate working estimate, or other sanction, to cover the transactions of each disbursing officer, and for the purpose of bringing the expenditure to account, these should be treated, as far as possible, as independent transactions to the same group of works or the same project. If this is not possible, special arrangements must be made for the check of the total expenditure against the sanction.

545. It is one of the functions of the Divisional Accountant to see that expenditure, which is within the competence of the Divisional Officer to sanction or regularise, is not incurred, as a matter of course, under the orders of subordinate disbursing officers without his knowledge. All such items of expenditure should at once be brought to the notice of the Divisional Officer and his orders obtained and placed on record. See also paragraph 91.

546. When a recovery has been ordered to be made from a contractor or other person, which cannot be watched through a suspense or other account specially prescribed for the purpose, the order should be noted at once in a Register of Recoveries in Form 95 (P.W.D. VI-123) opened specially for the purpose, so that the amounts recovered from time to time (with particulars of the accounts, concerned) may be recorded against it, and prompt compliance with the order watched.

547. It is permissible to take in reduction of the expenditure on works in progress, certain recoveries of expenditure (*vide* paragraph 256), e.g., sale-proceeds of surplus materials and plant acquired specially for any work, or of materials received from dismantled structures, irrespective of whether the estimates for the works make allowance for such recoveries or not. The amounts of such receipts are, however, not available for expenditure in excess of that authorised in the estimate for the work, and the Divisional Accountant should see that, without the orders of competent authority the gross expenditure authorized is not exceeded, or surplus receipts realized are not utilized towards additional expenditure. He should, at the same time, watch the receipts, with a view to bring to the Divisional Officer's notice and obtain that Officer's orders on all marked deviations from the provision for such credits in the estimates of works.

1. In the case of works, the accounts of which are kept by sub-heads all cash receipts should be a special sub-head in those accounts, *vide* paragraph 352. In the case of other works, the progress of the realization of receipts should be watched through the Register of Special Recoveries (*Vide* paragraph 546), which should be posted from sanctioned estimates in respect of credits anticipated therein and from the accounts in respect of receipts realized from time to time.

2. The Divisional Accountant should see also that savings due to abandonment of parts of a work, as evidenced by the quantities of the work executed or otherwise, are not utilized towards unauthorised expenditure.

548. After check every voucher should be enfaced with the word "**checked**" over the dated initials of the Divisional Accountant, as well as of any clerk who may have applied a preliminary check.

Vouchers not submitted to audit (*vide* paragraph 569) should be "cancelled" by means of a perforating or endorsing stamp and kept carefully, to be made available for test-audit whether demanded by the Accountant-General.

1. Vouchers relating to contingencies, which do not amount to more than rupees twenty-five each should be dealt within the manner indicated in the certificate of the disbursing officer printed on M.E. and A.C. Form 18.

2. Stamps affixed to vouchers should be so cancelled that they cannot be used again and if with this object they are punched through, care should be taken that the acknowledgment of the payee is not destroyed thereby.

3. Vouchers relating to new supplies of tools and plant should be completed by noting on them the name of the month in the accounts or which the articles acquired were brought on to Form (P.W.D. VI-7), Account of Receipts of Tools and Plant. For the words, "Rupees Two hundred and fifty" substitute the words, "Rupees One thousand".

549. The results of the examination of accounts and vouchers received from Subdivisional Officers should be intimated to them in all cases in which it is necessary to obtain further information accounts, vouchers, certificates, etc., or to direct them to correct the relevant records of their offices or avoid the recurrence of any irregularity. The procedure to be observed may be prescribed by the Divisional Officer. The records connected with the results of the examination should be retained so as to be available for the Accountant-General's inspection.

C.—SETTLEMENT OF ACCOUNTS WITH TREASURIES.

550. As soon after the expiry of the month as possible, a monthly settlement should be effected with all treasuries in respect of the transactions of the entire division with them.

551. For payments into treasuries, consolidated receipt should be prepared in Form 50 (P.W.D. VI-16), for the whole of the remittance made to each treasury, and sent to the Treasury Officers for signature.

552. For cheques drawn, the pass-books, duly completed for the month, should be obtained from the Treasury Officers with the certificates of issues from treasuries which are prepared in the form reproduced below and their agreement with the each books of the division should be effected in Part II, Form 51 [P.W.D. VI-16 (a)], Schedule of Monthly Settlement with Treasuries, which also gives details of the differences:—

I hereby certify that the total issues made from this treasury on cheques drawn against the account of Mr. _____ Officer-in-charge.

Division, during _____ 19____, amounted to Rs. _____ (in words).

The certificate of agreement should be recorded in the pass-book over the signature of the Divisional Officer without recording any details of the uncashed cheques or other differences.

1. pass books or list of cheques cashed is written up in Madras Treasury Code Form 8. It should remain in the Division Office as an account record of the office and should be sent to the Treasury periodically on fixed dates to be written up. Pass-books of divisions which have all their subdivision in the Headquarters of the Division should be sent to the Treasury once at the end of each month, but Divisions which have their subdivision offices located at places different from the Division Headquarters should send the pass-book to the Treasury twice a month, viz., on the 10th and at the end of each month. The identity, and the amount of checks entered as cashed should be examined at the earliest opportunity, the pass book being initialled (and dated) by the Divisional Accountant in token of the check.

2. Form 51 [P.W.D. VI-16 (a)] is required for submission to audit in original, vide paragraph 567. The office copy of the details recorded in it should be signed by the Divisional Officer, and carefully recorded for a period of twenty years.

3. If the Divisional Officer is placed in account within any treasuries which are in account with an Accountant-General other than his own Audit Officer, or with a Military treasure chest, a separate schedule of Monthly Settlement with Treasuries, Form 51 [P.W.D. VI-16 (a)] should be prepared in respect of the treasuries of such Audit circle.

553. A subdivisional cash books are closed on various dates before the last date of the calendar month, and the accounts of sub-treasuries are also not closed on that date, transactions recorded in cash books of the Public Works Department for a month may sometimes be responded to by the treasury in an earlier or a subsequent month. This disturbing factor should be borne in mind. Differences which are neither due to this cause nor represent amounts of uncashed cheques should be settled expeditiously in consultation with the Treasury Officer concerned.

D.—COMPILATION OF ACCOUNTS.

I.—*Monthly Accounts.*

(a) SCHEDULE DOCKETS.

554. As cash vouchers and transfer entry orders, relating to (i) charges on works other than percentage charged for establishment, tools and plant, etc., and (ii) other items of expenditure or disbursement for which a contingent bill is not required, come to hand and are scrutinised, they should be posted into Schedule Dockets in Form 61 (P.W.D. VI-97), a separate form being used for—

(a) each work to be accounted for in Schedule of Works expenditure, Form 63 (P.W.D. VI-26), or in the Schedules of Deposit Works, Form 65 (P.W.D. VI-101 to 103);

(b) each manufacture or other item of expenditure debitable to Stock and to be accounted for in the Schedule of Debits to Stock, Form 72 (P.W.D. VI-28) (*vide* paragraph 560);

(c) each separate class of charges (including refunds of revenue) for which a schedule in any other form has to be prepared under the rules in this chapter.

Cash receipts which have to be taken in reduction of expenditure (*vide* paragraph 256) should be posted as refunds, with brief particulars of the transactions. At the end of the month, the schedule dockets should be completed in respect of Stock transactions by posting therein all the stock debits and credits of the month as recorded in the lower part of Forms 10 and 9 (P.W.D. VI-6 and 5), Abstracts of Stock Issues and Stock Receipts, respectively, omitting those brought to account through the Cash Book and the Transfer Entry Book—*vide* rule 2 to paragraph 191. The total of the month's stock transactions relating to each schedule dockets should be entered therein as in a single figure, *plus* or *minus* according as it is a debit or a credit, and if there are both debits and credits to be entered, the net result only should be posted. Thus in the case of schedule dockets for works, this figure represents the total issue of materials from stock to the work, and the materials transferred from work to stock will appear as refunds under the heading "Transfer Entries". The schedule dockets should then be totalled and reconciled with the works abstracts in the case of works, and with the schedules concerned in the case of dockets of class (c) above. All the vouchers (including acknowledgments for stock supplied to contractors), transfer entry orders, survey reports, and sale accounts which are required to be submitted to audit (*vide* paragraph 569) should then be tacked to the respective schedule dockets which should be numbered in a separate series for each month.

1. Accountant-General may, however, at their discretion permit Divisional Officers to post the schedule dockets at the end of the month from the works abstract as soon as the latter are completed and checked. Accountant-General may also at their discretion dispense with the preparation and submission of a schedule docket for a work when the outlay on that work consists entirely of payments on muster rolls or other vouchers not required to be submitted to audit. In that case, the Divisional Accountant must record a certificate in the last column of the schedule of works expenditure against the relevant item that the vouchers composing the item are such as are not required to be submitted to the audit office under the rules.

3. The audit of schedule docket is conducted in the Accountant General's office on the assumption that petty vouchers and initial stock accounts in support of the certified amounts of in touchment and stock charges have been duly audited by the Divisional Accountant in detail and are available for test audit. The Divisional Accountant is, therefore personally responsible for the accuracy of these amounts as stated in schedule dockets.

3. Some of the schedule referred to in clause (c) above include charges for works supported by a Schedule of Works Expenditure. Such charges and other transactions relating to the works expenditure should be posted in the schedule dockets for the works concerned.

555. For percentage recoveries made on account of establishment, tools and plant, accounts and audit and pensionary charges (*vide* appendix 7) a single schedule docket should be prepared in Form 62 (P.W.D. 98), embracing all Government, as well as non-Government, works on which these percentages may be leviable under rule.

(b) REGISTERS AND SCHEDULES.

556. (a) All cash and transfer entry transactions of the month, other than those noted in the margin, should be posted, from time to time, into one of the schedules or registers named below, to which the transactions relates:—

- (a) Expenditure on works.
- (b) Expenditure on stock.
- (c) Transactions referred to paragraph 564.

- (i) Registers of Revenue realized ;
- (ii) Registers of Refunds of Revenue ;
- (iii) Registers of Receipts and Recoveries on Capital Account ;

} all in Form 46 (P.W.D. VI-25) (paragraphs 276 to 278), a separate register being maintained for each major head and in the case of works for which a separate revenue account is kept, one for each separate system or project.

(iv) Registers of Rent of Buildings and Lands, Form 49 [P.W.D. VI-49 (a)] (paragraph 280), a separate register being maintained for each major head, etc., as in respect of Nos. (i) to (iii).

(ix) Suspense Register, Form 67 (P.W.D. VI-20), in respect of transactions falling under the heads "Purchases" and "Miscellaneous P.W. Advances" (*vide* paragraphs 413 and 427) ;

(x) Deposit Register, Form 67 (P.W.D. VI-20) (*vide* paragraph 465);

(xi) Schedule of London Stores, Form 71 (P.W.D. VI-30) (*vide* paragraph 435);

(xii) Schedule of Deposit Works, Form 65 (P.W.D. VI-101 to 103) (*vide* paragraph 475).

(b) Of these Schedules, Nos. (i) to (iv) and (ix) to (xii) have already been described in the paragraph quoted against each.

1. Rent and other revenue receipts pertaining to (a) Military Works, (b) Railway Works, (c) Posts and Telegraphs Works and (d) Archaeological Works of the Central Government referred to in paragraph 558, should be posted in separate registers, Forms 49 and 46 [P.W.D. VI-49 (a) and 25], for each (as required) and additional registers should be maintained for receipts from other works of the Central Government.

2. When under a major head of revenue, there are more than one system of works for which separate revenue accounts are kept, a summary of the receipts of all systems working up to the totals of the major head, should also be prepared.

(c) Schedule Nos. (v) and (vi) are the schedules in which all remittance account transactions are collected, the entries being grouped under the headings given in the sample entries of Form 77 (P.W.D. VI-100).

(d) Schedule Nos. (vii) and (viii) are intended to collect all disbursements and receipts which do not pertain to any of the other schedules mentioned in this paragraph or to any of the works or stock expenditure schedules referred to in paragraphs 558 to 560. These transactions are adjusted finally in the books of the Accountant-General, and ordinarily affect one of the non-Public Works major heads of revenue or expenditure (e.g., "II. Taxes on Income", "XXII. Jails and Convict Settlements", "26. Audit" and "57. Miscellaneous") or a Debt head of Account (e.g., "O.—Unfunded Debt—Savings Bank Deposits—Bank Accounts—Cemetery Endowment Fund").

1. "Income-tax deductions from work-charged establishments, percentage chargeable on European stores, and receipt on account of cemetery endowment invariably appear in the schedule of credits to miscellaneous heads of accounts. Percentage recoveries for audit and accounts in the case of works executed on behalf of (1) private parties and (2) local bodies—*vide* item (d) of rule 5 of Appendix (7) and (3) Railways, Military Engineering Services and Posts and Telegraphs—*vide* item (d), rule 5, *ibid.*, appear as credits or minus debits in the schedules of credits or debits to Miscellaneous Heads of Account respectively according as the amounts are creditable to 'X' or 'Y'.

Miscellaneous—Fees for Government Audit' or '26. Audit'. The recoveries from private parties and local bodies will be adjusted as Revenue receipts under the minor head 'Fees for Government Audit subordinate to the Major head 'XLVI. Miscellaneous—Central'. Recoveries in the case of works relating to Railways, Military Engineer Services and works executed on behalf of the Posts and Telegraphs Department should however be adjusted as reduction of expenditure under '26. Audit—Central. As regards other transactions they should not be classified under the final or debt head concerned and shown in the Schedules of Credits or Debits to Miscellaneous Heads of Account, unless the Accountant-General has authorized this: ordinarily they should be classified by Divisional Officers under the remittance head "Public Works Remittances—III. Other Remittances" and included in the Debit or Credit Form 77 (P.W.D. VI 100), as the case may be. See also paragraphs 12 and 13 of Appendix 5.

557. At the end of the month, the stock transactions of the month, as recorded in the Abstracts of Stocks Receipts and Stock Issues, Forms 9 and 10 (P.W.D. VI-5 and 6), excluding transactions brought to account (*vide* rule 2 to paragraph 194) through the Cash Book and the Transfer Entry Book, should be incorporated in the schedules referred to in paragraph 556, and the schedules should be completed in all other respects, e.g., (1) in the debit schedules 77 and 76 (P.W.D. VI-100 and 99) and in the Deposit Register should be posted, from the detailed schedules concerned (*vide* paragraphs 558 and 559), the total amount of works expenditure chargeable to each head of account, division or office (*see* also paragraph 465) and (2) the total amount of the cheques drawn during the month should be entered in the Credit Schedule Form 77 (P.W.D. VI-100) as a single entry for treasuries of each Audit Circle, under the head "Public Works Remittances—II. Public Works Cheques," or the exchange account head concerned, as the case may be (*see* also rule 3 to paragraph 552).

1. Expenditure on famine relief works should be entered in Debit Schedule 76 (P.W.D. VI-99).

2. In the schedule of Debits to Remittances the expenditure on the works referred to in clauses (a) (ii) to (a) (v) of paragraph 558 should be shown separately from that on other works.

558. (a) After a reconciliation has been effected between the totals of works abstracts and relevant schedule dockets, a Schedule of Works Expenditure should be prepared in Form 63 (P.W.D. VI-26) separately for expenditure relating to each of the following classes:—

(i) Each major head (or a division thereof shown separately in column 1 of the classification table of Appendix 4) under which expenditure is recorded, a separate schedule being prepared for "Central", "Provincial—Reserved" and Provincial—Transferred" in the case of "50. Civil Works".

2. This form is not used for Manufactures transactions—*vide* paragraph 560.

(ii) Military Works

(iii) Railway Works

1. In the schedules for works of classes (i) to (v), money column 5 for "Total charges of the month" should be totalled so as to bring out separately the totals for (1) each minor head, (2) each primary unit or appropriation (if any) subordinate to a minor head, and (3) each group of works for which a separate lump-sum appropriation has been placed at the disposal of the Divisional Officer or a controlling authority. Against each total of the last category should be given (a) in column 6, the total charges of the year which will be arrived at by adding the total of the month to the total of the year as given in column 6 of the previous month's schedule, and (b) in column 7, the lump-sum appropriation if placed at the Divisional Officer's disposal.

2. In the schedules pertaining to works of classes (vi) and (vii), the entries relating to each work should be made separately for "work expenditure" and "percentage charges" (for establishment, tools and plant, accounts and audit and pensionary charges, etc.), one line being used for each of these two charges and a third for the total charges on the work. In the case of Archaeological and Central Civil Works and works executed for the Military Engineer Services, and Posts and Telegraphs Department, percentage charges for establishment including pensionary charges and Tools and Plant are levied at a fixed rate of 19 per cent on the works outlay as a permanent arrangement. In addition, one per cent for accounts and audit is levied in the case of works executed for the Military Engineer Services, and Posts and Telegraphs Department. The centage charges on these works need not, however, be deducted monthly but should be levied on the total outlay incurred during the year in respect of each class and adjusted by the Divisional Officer in the accounts for March each year.

3. Save as provided for in rule 1, it is optional with the Divisional Officer to make entries in columns 6, 7 and 9 in respect of individual works. These columns need not be filled in the fair copy of the schedule required for submission to the Accountant-General (paragraph 567) except figures entered in column 6 of the office copy under the provisions of rule 1.

559. Similarly, the Schedule of Deposit Works should be completed in respect of expenditure transactions, which should be taken from the relevant schedule dockets.

560. All debits to Stock should be collected in Form 72 (P.W.D. VI-28), Schedule of Debits to Stock. The entries in this schedule should be arranged in four groups—(1) "Manufacture", (2) "Land, Kilns, etc.", (3) "Storage" and (4) "Other sub-heads". Under (1) should be detailed all manufacture operations in progress, and under (2), all works in progress in connection with the acquisition, construction and repairs of land, kilns, etc., under (3) should be shown the expenditure which is incurred after the acquisition of the stores on work-charged establishments employed on handling

and keeping initial accounts, the custody of stock and the maintenance of store godowns or yards, etc., under (4) should be shown (a) individually, all items of expenditure on the carriage, handling, etc., of stock materials when the cost of such processes is chargeable to the sub-head of Stock under which the materials are classified (*vide* paragraphs 203 and 389), (b) individually, all items of acquisition of stock materials, for which an estimate is required under rule, and (c) collectively all other items of acquisition of stock materials.

1. If the Divisional Officer is specially authorized by Government to sanction the carriage, handling, etc., charges up to a specified money limit, it will devolve upon the Divisional Accountant to conduct the audit of individual terms of expenditure against the Divisional Officer's sanctions but all items of this class should be detailed in the schedule.

2. In respect of each manufacture operation, the outturn of the month (*vide* paragraph 396) should also be shown in the schedule, the operation and outturn being entered in two separate lines.

561. An account of the suspense head "Stock" should next be prepared in Form 73 (P.W.D. VI-108), Stock Account. Part I of this form is the main account showing the receipts, issues and balances, classified by sub-heads, separate figures being given in respect of the sub-heads "Manufacture", "Land, Kilns, etc., and Storage" and all the other sub-heads (*vide* paragraph 417) being lumped up. Part II, the Detailed Account of Issues, is written up first, and from this part and the Schedule of Debits to Stock, Form 72 (P.W.D. VI-28), is prepared, Part I.

(c) CLASSIFIED ABSTRACT OF EXPENDITURE.

562. A consolidated account of all expenditure (*vide* paragraph 82) charged against the grants of the division should be prepared in Form 74 (P.W.D. VI-109), Classified Abstract of Expenditure. The figures relating to the several major heads (or divisions thereof shown separately in column 1 of the Classification table of Appendix 4) should be entered in separate sections, arranged in the order indicated in Appendix 4, and in the case of the major head "50. Civil Works", the "Central", "Provincial—Reserved", and "Provincial—Transferred" transactions should be shown in three different sections in the order shown here.

1. When works for any of the departments named in the margin are undertaken as a standing arrangement [*vide* paragraph 558 (a)] and funds for the purpose are allotted to the division, the expenditure transactions connected therewith should also be abstracted in Form 74 (P.W.D. VI-109), the classification of expenditure being that prescribed in respect of the works concerned—*vide* rule 2 to paragraph 77.

2. Refunds of Revenue, though covered by the term Expenditure (*vide* paragraph 82) are excluded from this Abstract, as they are treated as minus Revenue (*vide* paragraph 274 and Appendix 4). On the other hand, Receipts and Recoveries on Capital account are included in this abstract as minus expenditure, as they are taken in reduction of the charges under the major head '68.' (*vide* Statement E of Appendix 4).

(d) PREPARATION OF MONTHLY ACCOUNT.

563. Finally, should be prepared, for presentation (with all supporting registers, schedules, vouchers, etc.) to the Divisional Officer and submission to audit, the Monthly Account in Form 80 (P.W.D. VI-112). This account is an abstract of the entire receipts and disbursements of the month as detailed in the various schedules and registers, and shows also the opening and closing cash balances, and on the back of the form are printed (1) a memorandum of miscellaneous cash receipts paid into treasuries and (2) a certificate in respect of the closing cash balances of subordinate disbursing officers. The entries in the Account are divided into three groups:— Revenue entries, which are the total receipts under the several major heads, as taken from the Registers of Revenue Realized, Form 46 (P.W.D. VI-25), (2) Expenditure entries, which are the totals for the several divisions of major heads and are posted from the Classified Abstract of Expenditure, Form 74 (P.W.D. VI-109), and (3) other Heads, entries in which representing both receipts and disbursements, are posted from the Schedules of Deposits, Remittances and Miscellaneous Heads of Account, Forms 78 or 79, 77 and 76 [P.W.D. VI-31 or 31 (b), 100 and 99].

1. The totals of the columns for receipts and disbursements must agree, and if there is any difference due to cash being in transit between two disbursing officers its amount, etc., should be included in the closing balance and the certificate of cash balance should be amplified so as to state the amount and the steps taken to adjust the difference.

564. (a) There are certain transactions recorded in the initial cash and stock accounts, which involve no operation on a revenue, expenditure, or any other prescribed head of the accounts classification, as every such entry is counter-balanced either at once or after an interval, by a similar entry of the reverse character. It is not necessary to include such transactions, for audit purposes, in any of the schedules and registers leading to the Monthly Account, but the Divisional Accountant should see that all transactions are cancelled by each other in due course.

(b) These transactions fall under two classes:—

(i) *Cash from Treasury*.—A cheque drawn to replenish the cash chest is charged to this head in the Cash Book and *per contra*

the amount of the cheque is entered at once, as cash received, under the same head, a cheque drawn in favour of self being cash (*vide* paragraph 128) eventhough not cashed at once.

(ii) *Transfer within division.*—Remittances of cash and stock by one accounting officer of the division to another, are charged or credited to this head when the remittance is actually made or received.

565. When the Monthly Account does not balance and the discrepancy cannot be detected readily, it may be advisable to write up Form 81 (P.W.D. VI-113), Abstract Book, from the original Cash Books, Abstract of Receipts and Issues of Stock, and the Transfer Entry Book, and thus to locate the error or omission.

1. Instructions for posting this book and utilizing it in locating errors in the compilation of the Monthly Account and connected schedules and registers are printed on the Standard form, which is to be taken as a model only. If the Divisional Accountant considers it desirable, he may maintain this book regularly to facilitate the check of the complied accounts.

566. It will be seen that all the transactions of the division, as recorded in the initial accounts of cash and stock and in the transfer entry book excluding items referred to in paragraph 564, enter one or other of the prescribed schedules, the details being in some cases recorded in supporting schedule dockets. Transactions recorded in the cash book and the transfer entry book are posted direct from those sources, no items being omitted; but those recorded in the initial accounts of stock, Forms 8, 9 and 10 (P.W.D. VI-4, 5 and 6), are dealt with as under:—

(a) those brought to account through the Cash Book or the Transfer Entry Book (*vide* paragraph 191), e.g., stock purchased in cash, stock sold for cash, and stock received from works, are left out, and

(b) the rest are posted direct from the Abstracts of Stock Receipts and Stock Issues, Forms 9 and 10 (P.W.D. VI-5 and 6).

To ensure the accurate compilation of accounts, it is essential that the transactions referred to in (a) above are not brought to account twice, and the Divisional Accountant should see that all items of this class are correctly separated off in the lower part of the Abstracts of Stock Receipts and Stock Issues, Forms 9 and 10 (P.W.D. VI-5 and 6) as prescribed in rule 2 to paragraph 191.