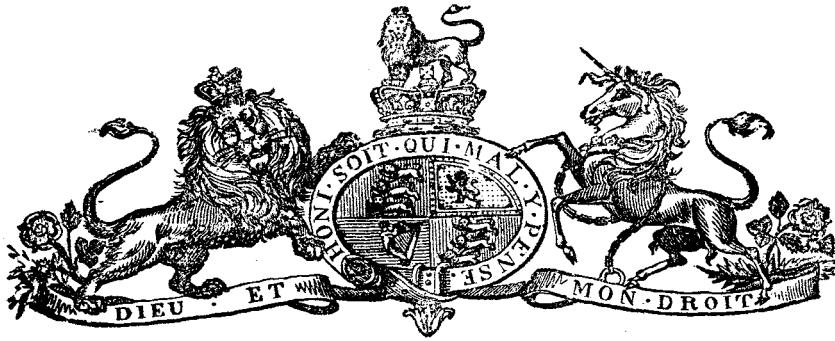


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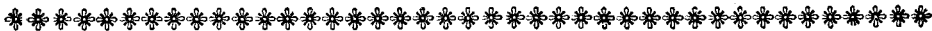


1877.

ANNO QUADRAGESIMO-PRIMO

VICTORIÆ REGINÆ,

No. 16.



AN ACT to amend *The Audit Act.*

A.D. 1877.

[11 December, 1877.]

BE it enacted by His Excellency the Governor of *Tasmania*, by and with the advice and consent of the Legislative Council and House of Assembly, in Parliament assembled, as follows :—

1 Section Five of *The Audit Act* is hereby repealed, and all Regulations made and all Directions issued under the said Section, and in force when this Act takes effect, shall thereupon become null and void. Repeal of Sect 5 of 22 Vict. No. 6.

2 The General Regulations set forth in the Schedule (1) to this Act shall be regulations under *The Audit Act* for the due care and management of the public moneys ; and the Instructions set forth in the Schedule (2) to this Act shall be instructions for the guidance of the Colonial Treasurer and Colonial Auditor in keeping and rendering the accounts of receipts and expenditure. Regulations and Instructions.

3 The Form in the Schedule (3) to this Act is hereby substituted for the Form (A) in the Schedule to the said Act. Form of Governor's Warrant.

4 Section Twenty-two of the said Act is hereby repealed ; and the Colonial Treasurer shall, within Four months after the 31st day of *December* in every year, prepare a full and particular statement in detail of the Receipt and Expenditure of the several branches of the Public Revenue for such year, classified and arranged under the same divisions, sub-divisions, and items of sub-divisions as have been employed in framing the Treasurer to prepare yearly Statement of Revenue and Expenditure, and Auditor to countersign it.

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Estimates, showing whether such Expenditure is under or in excess of the amounts authorised by Parliament ; and if in excess, the authority under which such excess has been disbursed ; and shall transmit such statement to the Auditor, who shall make and sign a report explaining such statement in full, and showing in what particulars such statement agrees with or differs from the accounts of the Auditor, and, in case of disagreement, reconciling and explaining such difference, and containing full particulars of every case in which default has been made in delivering or sending accounts, or accounting for public moneys, and of all sums allowed by the Auditor without any vouchers or with imperfect vouchers, and of any proceedings which may have been taken against any person in pursuance of the said Act ; and the Colonial Auditor shall, within Two months after receiving the same, return such statement, accompanied by such report, to the Colonial Treasurer, who shall forthwith publish the same respectively in the *Gazette*, and lay the same before the House of Assembly if Parliament is then sitting, and if not then sitting, within Seven days after the commencement of the next Session of Parliament.

Acts to be read
together.

5 This Act and the said Act shall, save so far as the same may be altered or amended by this Act, be read and construed together as one Act.

Short title.

6 This Act may be cited as "The Audit Act, No. 3."

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SCHEDULE.**(1.)****GENERAL REGULATIONS.**

1. THE year of Account is, in all cases, from 1st January to 31st December.
2. The printed Estimates of Revenue and Expenditure, as passed by Parliament in each year, are to form the basis of the system of Account.
3. The heads of Revenue and of Service are to be the same in the Accounts as in the Estimates : every item must, therefore, be carefully classed under its appropriate head.

REVENUE.

4. All Revenue collected is to be paid either into the Colonial Treasury at Hobart Town, or into one of the Banks at Hobart Town or Launceston, to the credit of the Public Account of the Colony, in such manner and at such periods as the Colonial Treasurer may from time to time direct.
5. The full amount of all Revenue collected is to be accounted for without deduction. Charges for commission on the sale of property (not Public Lands), and the share of penalties paid to Seizing Officers and Informers, are to be considered as the only exceptions to this rule. In these cases the nett amount is to be paid into the Treasury, and the detailed Account to be rendered to the Auditor must give full particulars of the deductions which have been made.
6. In every case moneys paid into the Treasury are to be accompanied by a statement, signed by the Collector, giving full particulars of the amount paid in ; and, when the money is paid into a Bank, the receipt of the Cashier must be transmitted to the Treasurer with the Account of Particulars. In the event of no collections being made a "Nil" Return must be forwarded.
7. On the 10th day of each month the Treasurer will report to the Governor in Council the names of such Collectors as have failed to pay over their collections up to the 31st day of the preceding month : and all payments to such Officers, whether for Salaries or Allowances, will be suspended until the amount collected shall have been paid over.
8. In the event of the sale, whether by auction or by tender, of property belonging to Government, the payment of the proceeds into the Treasury must be accompanied by the Authority for the Sale, the Account Sales, Tenders, and other documents relating to the transaction.
9. In case of the collection of any sums of an unusual or special nature, the person receiving such sums must obtain, and hand over to the Treasurer, the most satisfactory documents in his power in order to show that the correct amount has been collected.
10. All Officers and others who collect moneys on account of the Public Revenue shall transmit to the Auditor monthly, before the 14th of each month, attested Returns or Statements in the prescribed forms, showing in the fullest detail the several amounts collected under each head of Revenue within the preceding month, as well as any deductions made according to Rule 5, and all other particulars that can be furnished. When an Officer accustomed to collect Revenue does not receive any money during a month, he must, nevertheless, furnish the usual form of Statement, with the word "Nil" written across it, and bearing his declaration to that effect.
11. On the 20th of each month, or immediately thereafter, the Auditor shall report to the Colonial Secretary for the information of the Governor in Council the names of such Collectors as have failed to render such attested Returns for the previous month, and will also forward a copy of the same to the Treasurer ; and all payments to such Officers, whether for Salaries or Allowances, shall be suspended until their attested Returns have been furnished.
12. Approved forms of Accounts and attested Returns are at all times to be strictly adhered to.
13. Any additional information which the Treasurer or Auditor may require is, upon application, to be furnished by the respective Collectors forthwith.
14. In the event of a repetition of delay or inaccuracy in the rendering of Accounts or attested Returns, or of neglect or refusal to furnish such information as the Treasurer or Auditor may require, the person in fault will render himself liable to removal from the Public Service.
15. In addition to the Abstracts and attested Returns transmitted by the Department of Customs, the

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Collectors will be required to submit their Books to the Auditor for examination; and they will also forward to him daily the duplicates of all entries passed during the preceding day.

16. Due security shall be given by every person entrusted with the collection of public money; but the Colonial Treasurer, with the authority of the Governor in Council, may dispense with security in such cases when the collections do not exceed £50 a year.

17. Public Officers receiving and paying moneys which do not form part of the Public Revenue must keep correct Books of Account, in such form as the Treasurer may from time to time prescribe; and they will be expected to furnish such Accounts and Vouchers as the Treasurer or Auditor may require.

EXPENDITURE.

18. No expense, although duly provided for in the Estimates, is to be incurred by any Head of Department without the Governor's authority, either general or special; and the production of that authority, or a reference thereto, with the Account of Expenditure, will in all cases be considered essential to enable the Treasurer to liquidate an Account.

19. It shall not be lawful for the Governor in Council to authorise any expenditure of public money for purposes not recognised or provided for by Parliament, unless in cases of emergency,—but this Regulation shall not apply to the cases of excesses in the details of Establishments, not being salaries.

20. In any case of excess in expenditure under the authority of the Governor in Council, as previously defined, an immediate intimation shall be made to the Colonial Auditor of such authority having been granted, and the effect thereof; and it shall not be lawful for the Colonial Treasurer to make any payment under such authority without the previous report of the Colonial Auditor that the payment has been duly authorised.

21. The Treasurer shall prepare, immediately prior to the assembling of Parliament, Supplementary Estimates of all sums expended, or as far as can be foreseen likely to be expended, beyond the amount voted for any service, and also for any new heads of expenditure already incurred or intended to be incurred before the termination of the current year for which no Parliamentary sanction had been previously granted. These Supplementary Estimates shall be forthwith submitted by the Treasurer to the Governor in Council, and transmitted by Message from the Governor to Parliament within 14 days of the opening of the Session.

22. With respect to fixed Expenditure, such as Salaries and Allowances, a general authority will be conveyed at the beginning of the year to each Head of Department for the periodical payment of these charges, subject of course to any changes that circumstances may afterwards render necessary: but a distinct authority must also be obtained for every new appointment, although the number of Officers may not be increased.

23. With regard to all Contingent Expenditure not included in the general authority, each Head of Department must apply for a separate authority whenever he may require to incur expense under any item of Estimate applicable to the service of his Department; and such application must be accompanied by a statement of the amount already expended, and of the balance available for the remainder of the year.

24. In case any Public Officer is under the necessity of incurring an expense for any service not directly connected with his own Department, and not provided for in his own Estimate, he must previously, if there be time—but if not, immediately afterwards—report the circumstance to the Minister with whom he corresponds, and obtain through him the authority of the Governor in Council for the expense, which he will attach to the Account when he forwards it to the Treasury for payment.

25. All authorities issued for Contingent Expenses must be furnished to the Treasurer, who will forward the same to the Auditor.

26. Accepted Tenders published in the *Gazette* are to be considered as authorised Contracts for the passing of Accounts; and the Government Printer is therefore to submit proofs, when required, to the Head of Department by whom the Tenders are invited, in order that the press may be corrected; and he is also to forward weekly to the Auditor slips of every Contract so gazetted.

27. On the 26th day of each month, or as soon thereafter as may be practicable, Heads of Departments are to prepare and submit to the Treasurer Abstracts of the Salaries and Allowances of their Departments due for the month; and on the 1st of the following month the Treasurer will pay the total amount of every such Abstract to the Head of the Department, taking his receipt for the same, and returning to him the Abstract in order that the acquittances of the several claimants whose names are borne thereon may be obtained.

28. Heads of Departments will be held responsible for the due appropriation of all moneys so issued to them; and they will be required, on or before the 14th of the month, to forward the said Abstracts to the Auditor, bearing the signatures of the persons to whom the payments were made, and duly completed in all respects. And the Treasurer will make no further payment of Salaries or Allowances to any Department until its previous Vouchers shall have been so rendered to the Auditor in a satisfactory state.

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29. For the purpose of paying daily or weekly wages, witnesses' expenses, cost of rations for Prisoners in Watch-houses, fuel, light, and water for Police Service in the Country Districts, trifling repairs to buildings, stores of small value, or other minor expenses, advances will be made to the Heads of Departments and other superior Officers at the commencement of the year, or at such other time as the necessity may arise.

30. Two modes of advance will be adopted :—

(1.) Where the expenditure is recurring throughout the year, as wages for instance, an advance, computed upon a month's or six weeks' expenditure, will be issued to the Head of the Department. At the commencement of the second month the Vouchers for the exact outlay of the preceding month must be forwarded to the Treasury, where repayment will be made to him of the amount expended ; and so on throughout the year until the 31st December, when, or not later than the 10th January following, the original amount advanced must be returned into the Treasury, or adjusted by presentation of the Accounts and Vouchers for December, and payment to the Treasurer of the balance in hand.

(2.) Where the advance is required for a temporary object only, the officer demanding it must state the period within which it is intended to account for the appropriation of the same ; and he must take care not to exceed that time in producing to the Treasurer complete and satisfactory Vouchers of the Expenditure, paying in at the same time any balance that may remain in his hands.

31. Any Public Officer paying advances or other public moneys into a Bank shall place the same to his credit as a Public Officer, and not to his private account.

PREPARATION OF ACCOUNTS.

32. All Accounts of Expenditure are to be transmitted to the Treasury through the Head of the Department by which the expense was incurred ; and they are to be certified by him, or in his absence by an Officer of the Department duly authorised to sign on his behalf.

33. No Account is to include services forming a charge upon separate years, nor upon more than one Department, except by express arrangement with the Treasurer.

34. All Bills of Particulars must be made out on the prescribed forms, and must clearly set forth, in the case of services performed, the exact dates or periods and nature of the service,—the rates of remuneration,—and the name of the place ; and in the case of articles purchased, the exact dates or periods,—the places of delivery,—the quantities and the prices of the several articles. They must also be invariably signed under the total amount by the Claimant as a guarantee of the correctness of his claim. On payment of the money the receipt may be signed either by the Claimant or by his authorised Agent.

35. When any payment is made to a person unable to sign his name, his mark is to be vouched by a witness as having been made in his presence ; and, as a general rule, all receipts for Contingent Expenditure are to be vouched by a witness, in whose presence the payment has been made.

36. In stating periods, the first and last day specified are both to be considered as inclusive.

37. Should an Account once certified by the Head of a Department be represented as having been lost or mislaid, no duplicate is to be signed until the Head of Department shall have satisfied himself that the Account has not been paid, and that it has been really lost. He may then sign another Account, which is to be marked in *red ink* "Duplicate" across the face thereof ; *but he is in such case to make a special report to the Treasurer on the subject.*

38. Heads of Departments are enjoined to take care that no contingent claims against their Departments incurred prior to the 1st day of any month are allowed to be outstanding after the termination of that month, except in the case of such current contracts as may be payable quarterly, the Accounts of which must be rendered within one month after the termination of the quarter. With this object in view, each Public Officer is desired to afford every facility to persons having claims against his Department in the preparation of their Accounts, and to use his utmost endeavours to secure the prompt settlement of all such claims by calling in the Accounts when the parties neglect to present them, and by transmitting them in a complete state to the Treasurer with the least possible delay, notifying at the same time to the Claimant that he has done so.

39. All Accounts whatsoever, before transmission to the Treasury, must be properly certified and supported by the requisite authorities. Should Accounts when forwarded for payment be obviously incomplete, or vitiated in any essential particular, by erasure, interlineation, or otherwise, they will be returned to be completed or made out anew, as the case may require.

40. Accounts forwarded to the Colonial Treasury, duly certified and completed in accordance with the Regulations, will be forthwith paid to the Claimant or his authorised Agent. Should it afterwards appear, when the Accounts are submitted for audit, that any material error has been committed,—that the authority is insufficient,—or that the Voucher is essentially imperfect, the Auditor will surcharge the Treasurer with the amount ; and should the defect not be at once remedied on the Treasurer's application, all payments, whether of Salaries or Allowances, to the Head of Department who certified the Account will be suspended until the amount has been recovered, or the Auditor has been satisfied.

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41. In order that this liability may be clearly defined, it is determined that the Head of each Department shall be held responsible for the correctness of all Abstracts and Accounts for the Salaries, Allowances, and Contingent Expenditure of his Department, and generally for all Accounts incurred by him, whether strictly for his own Department or not; but that the Director of Public Works and the Colonial Storekeeper shall, respectively, be considered responsible for all Accounts incurred by them in the name of any other Department.

42. The object of the system of Treasury payment is to render each transaction final and complete in itself, and to enable it to be brought at once to account. This end must therefore be kept in view by every person whose duty it is to collect or disburse the Public Moneys: and as, under this system, Accounts will be paid at the Treasury *before* being audited, it will be indispensable that all Public Officers shall make themselves thoroughly acquainted with these Rules, and adhere strictly to them.

43. All Heads of Departments and persons entrusted with Public Money, whether it be on account of the Revenue, or for payment of Salaries, Allowances, or Contingent Expenditure, are required to keep a Cash Book, in which they will enter on one side the sums received, and on the other the amounts paid,—a balance being struck weekly or monthly.

44. They are further required to keep a Register of all Accounts passing through their Offices, so as to show in what manner each Account has been disposed of, and for reference at any future time.

45. In some Departments it will be necessary to keep other books, such as books containing the details of Fines and Fees received, and for other objects specially applicable to particular duties; but upon this point Heads of Departments are expected to exercise their own discretion, taking especial care that the Accounts are kept in the most clear and satisfactory manner.

46. The Auditor shall, at all times, have access to the Books and Accounts of every Department, or of persons entrusted with Public Money.

47. The Auditor may, at his discretion, depute the duty of inspection to an Officer of his Department.

48. Should it appear to be necessary or desirable, the Auditor is hereby authorised to visit any of the Offices in which Accounts of Revenue or Expenditure are kept. On such occasions he will carefully examine the Books to see that they have been regularly and accurately kept; and should any instance of irregularity or negligence come under his notice, he shall make an immediate report of the circumstance for the information of the Governor in Council.

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(2.)

INSTRUCTIONS

FOR THE

GUIDANCE OF THE TREASURER AND AUDITOR

IN

**KEEPING AND RENDERING THE ACCOUNTS OF RECEIPT
AND EXPENDITURE.**

1. Annual Estimates of the Revenue and Expenditure of the Colony are to be laid before the Legislature in sufficient time to enable the Votes to be taken before the commencement of the year to which the Estimates relate. The duty of compiling the Estimates will devolve upon the Treasurer, the requisite data being furnished by the several Heads of Departments.

2. And, in like manner, Supplementary Estimates are to be prepared of all ascertained or probable excesses upon Votes for the current year, and of any new expenditure incurred or likely to be incurred during the year, which had not been previously voted; and the same shall be submitted by the Treasurer to the Governor in Council, and transmitted by Message from the Governor to Parliament, at the Session holden within the year in which such excesses or new heads or items of expenditure have occurred or can be foreseen, within 14 days of the opening of the Session.

3. The Estimates are to form the basis of the system of Account.

4. The year of Account is to be from the 1st January to the 31st December.

5. The heads of Revenue and of Expenditure are to be the same in the Accounts as in the Estimates: every item must, therefore, be classed under its appropriate head.

6. The Accounts are to be kept by double entry, the set of Books consisting of—

Cash Book,		Journal,
Daily Abstract Book,		Ledger.

7. In the Cash Book, which will be kept by the Treasurer, is to be entered every Receipt and Payment of whatever description, in the chronological order in which it may occur. Cash sheets containing literal copies of the entries in the Cash Book are to be forwarded to the Auditor weekly or daily to be checked in his office by the Vouchers, and retained in his office; and the Cash Book is to be closed and balanced at the end of every month.

8. The Daily Abstract Book, Journal, and Ledger are also to be kept by the Treasurer. The entries in the Daily Abstract Book are to be made from the Vouchers of Revenue and Expenditure, and the Book is to be journalised monthly.

9. The Ledger is to be posted from the Journal, and a trial balance is to be made on closing the Accounts of the year.

10. Before the commencement of the year the Colonial Secretary will submit two printed copies of the Estimates as passed by Parliament to the Governor for his approval in writing; which having been obtained, one copy shall be transmitted to the Treasurer as his authority for paying, and the other to the Auditor for his guidance in auditing, the Salaries, Allowances, and Contingencies of the several Departments throughout the year.

11. As regards Expenditure included in the Estimate but not embraced in the general Authority, special Authorities will be issued as occasion may require by the Responsible Minister in charge of the Department applying for the same; and every such Authority must be forwarded to the Treasurer, by whom, after record in his Office, it shall be transmitted to the Auditor for his information and guidance.

12. The Treasurer will be required to render to the Auditor every month a detailed copy of his Inland Revenue Accounts, which it will be the Auditor's duty to compare with the Monthly attested Returns received from the several Collectors of Revenue.

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13. The Treasurer shall at the end of each month prepare a full and particular Statement in detail of the Receipts of the several branches of the Consolidated Revenue, and cause the same to be published in the *Gazette* within four days of the close of the said month.

14. The Treasurer shall at the end of each year prepare a full and particular Statement in detail showing the Receipts of the several branches of the Consolidated Revenue, and cause the same to be published in the *Gazette* within fourteen days of the close of the year.

15. During the month of April in each year, or earlier if possible, the Treasurer is to transmit to the Auditor an Abstract of his Receipts and Expenditure in the previous year, corresponding with the closing entries of the Journal and Ledger. Upon receipt of this document, the Auditor is to examine the Treasurer's Journal and Ledger with the Vouchers deposited in the Audit Office; and when the whole shall have been found to be correct, the Abstract is to be countersigned by the Auditor, and submitted for the information of His Excellency the Governor through the Colonial Secretary, who will afterwards return it to the Auditor.

16. With a view to maintaining an efficient Audit upon payments made for Salaries and Personal Allowances, a Register Book is to be kept by the Auditor, in which are to be entered the names of the persons receiving Salary or Allowance, the period for which pay is drawn, the rate, the amount of each instalment, and, in the case of a new appointment, a reference to the authority under which it was made. This Book must exhibit the names of all persons receiving pay under the Fixed Establishment, with the exception of Petty Constables, Javelin Men, and others subject to be changed at the discretion of the Head of Department, whose names need not be entered, as the number authorised for each Establishment or Station will form a sufficient check.

17. The Treasurer shall transmit to the Auditor from day to day his "Daily Abstract Books of Revenue and Expenditure;" and, upon their receipt, the Auditor shall immediately compare and check the entries therein by the Cash Vouchers received from the Treasury in support of the Cash Sheets, shall mark by tick or initials every such entry, and, on being satisfied of the correctness of the work, shall return the books to the Treasurer. At the end of each month the Auditor shall add up and ascertain the total of each column, and the general totals for the month, in the Treasurer's Books. The Quarterly and Annual totals are to be dealt with in like manner. For the purpose of reference to details, the Abstract Books kept in the Treasury are to be available to the Auditor at all reasonable times. He shall also compare the aggregate of the general totals with the totals of Receipts and Expenditure in the Treasurer's Cash Book.

18. The Auditor is likewise to keep a Register of the "Attested Returns of Revenue," in such simple and convenient form as may be adapted to show at any time what Officers in receipt of Revenue are defaulters in respect either to the transmission of their Returns or their payments into the Treasury.

19. The Treasurer's Annual Cash Account is to be prepared in such form as to show the actual transactions during the year, but distinguishing Arrears from Current Expenditure.

20. Moneys which the Treasurer cannot immediately bring to account as Revenue, or take credit for as Expenditure, by reason of informality in the Vouchers, or any other cause, are to be posted to a "Suspense Account" until they can be credited or debited to the proper head of Revenue or Expenditure, as the case may be.

21. In the case of Stationery or small Stores purchased by the Colonial Storekeeper for issue in detail to Departments, the bills when paid are to be entered to an account entitled "Storekeeper's Personal Account;" and the Departments are to be afterwards debited from the periodical adjustment Accounts of the Storekeeper. The Treasurer will therefore take care that such Returns are regularly furnished at the appointed periods.

22. The Storekeeper will continue to make all other purchases, except under extraordinary circumstances, in the name of the Department requiring the supplies, in order that the Accounts may be self-adjusting.

23. On the 31st December all Votes under which no Expenditure has been authorised are to be considered as having lapsed.

24. In order to provide for Expenditure authorised before the 31st December, a sum equal to such authorised Expenditure is to be made available as a credit in the succeeding year, in order that the Expenditure of each year may be kept distinct. All such credits not expended are to lapse on the 31st December following.

25. The Auditor, as often as he may deem it necessary, is to compare the Bank balances with those shown in the Treasurer's Books, and to count the money in the Chest, and check over any securities that may be held by the Treasurer; and, after allowing for outstanding cheques, he is to verify the Bank balances and the cash in the Treasury, and report thereon for the information of the Governor in Council.

26. The Treasurer and the Auditor are to consider these Instructions, together with the Audit Act, and the Regulations respecting Public Accounts, as the rule of their conduct; and any questions arising out of them which cannot be agreed upon between these Officers are to be submitted, by either, for the decision of the Governor in Council.

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